THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales · Charity number 1131772

Details

Other names	ST LUKE'S BATTERSEA PCC
Status	Registered
Legal form	Previously excepted
Registered	2009-09-23
Register	View on the Charity Commission register

Contact

Address	St Luke's Community Hall 194 Ramsden Road London SW12 8RQ
Phone	02087720463
Email	parishoffice@stlukeschurch.org.uk
Website	www.stlukeschurch.org.uk

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: Regular public worship open to all. The provision of sacred space for prayer and contemplation. Pastoral work including visiting the sick and the bereaved. Teaching of Christianity through sermons, courses and small groups. Making church available for school religious assemblies. Promotion of Christianity through events, meetings and activities. Supporting other charities in UK and overseas.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Wandsworth

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£620,381	£761,092	£3,449,665	5
2023-12-31	£615,317	£687,023	£3,516,190	5
2022-12-31	£561,634	£565,418	£3,606,599	3
2021-12-31	£631,489	£598,950	£3,649,558	3
2020-12-31	£493,992	£648,463	-	-

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Trustees

Name	Role	Appointed
LORENZO FERNANDEZ-VICENTE	Chair	2017-04-05
Anna Walker		2025-05-18
CLAIRE GODDARD		2014-04-27
Dr Richard William Patrick Stonor		2023-05-21
Dr Sophie Victoria Seddon		2025-05-18
Elisabeth Jane Spurrier		2025-05-18
Elizabeth Bracken		2026-05-17
GERY ANTHONY ROBERTS		2022-05-10
Gillian Robinson		2025-05-18
JAMES VYVYAN		
Jennifer Diana McNeil Bailey		2015-04-19
Jonathan Edward Haydock		2024-05-12
Josie Ogg		2026-05-17
Nicola Robson		2026-05-17
Philippa McDonald		2026-05-17
ROSEMARY ANNE COLLINS		2021-05-16
Richard Balcer		2025-05-18
Roger Black		2025-05-18
Samuel George Straker-Nesbit		2024-05-12
Sean Patrick McLaughlin		2025-01-01
Simon Mark Gibbins		2024-05-12
Susan Alice Lamont		2026-05-17
The Very Reverend Jeremy Robert Crocker		2025-04-28
Timothy Sanders-Hewett		2026-05-17

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales - Charity number 1131772

Accounts

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA

Registered Charity No. 1131772

ANNUAL REPORT

Year Ending 31 DECEMBER 2024

Parochial Church Council of St Luke, Battersea
Annual Report 2024

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” (FRS 102) in preparing the annual report and financial statements of the charity.

AIM AND PURPOSES

The Parochial Church Council of St Luke, Battersea (PCC) has the responsibility of cooperating with the Vicar to promote, in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church, the adjacent Community Hall and two residential properties.

OBJECTIVES AND ACTIVITIES

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within the parish. Our services and worship put faith into practice through prayer, scripture, preaching, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission’s guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus Christ.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St Luke, the Community Hall and the two residential properties.

ACHIEVEMENTS AND PERFORMANCE

Worship and Ministry

The Vicar's Report

This year felt a bit like a parenthesis. All ministries and services are back to normal, but growth and innovation are hampered by lack of assistance. Fortunately, we have at long last recruited an Associate Vicar, the Very Reverend Jeremy Crocker, for a week still dean of the cathedral in Cyprus. He will be installed on Monday the 28th of April during a service of Evensong. This is serendipitous as we will be trying to revive a celebration of Evensong every month, to counterbalance the all-age service at 9.30am and provide a home for those who would like an adult sermon on the first Sunday of the month. Besides, evensong is just lovely and will prove, I hope missionary. We will aim at recruiting an enlarged choir and providing a space for people who are new to the faith, simply love music or feel that Holy Communion is too much of a faith commitment.

I wrote last year that decline is observed across the Church of England, indeed across most churches. Yet we have not declined. I noted that 'If we observe the world at large, we will notice that Christianity, by comparison with other religions, fares poorly wherever it is not a domestic reality. Young Muslims and Jews worship at home and together with their parents whereas we have been over-reliant on school and Sunday school to hand down the faith for us. This has failed quite spectacularly. To me, this is compounded by the fact that children now lead frightfully busy lives, crammed with extra-curricular and sporting activities, even on Saturdays. Sundays are their only leisure day and, if they do come to church, they wish to worship as a family and not be forced into joining yet another club.' I feel slightly vindicated as many young families now worship *together* at 9am whenever they can. It is a joyful, at times chaotic service. It seems to build itself as a community as both parents and children get to know each other better and linger over coffee and cake afterwards. It remains however a real service of Holy Communion, with a recognisable liturgical shape, as noticed by our Bishop's chaplain who was delighted to preside over it several times. This is essential because our worship cannot and will not 'out-entertain' alternatives like ballet, hockey or rugby tots, or even the Mathnasium. It will help the children grow into a form of worship much like our parish communion, which was not the case when they were sent to Sunday School. A mini-choir, three choristers strong, is born and we must hope that it will go from strength to strength. The musical abilities of many children who worship at 9am are stunning. Many parents are new to the faith and three of them have asked to be baptised. I would like to thank Ali, Derek, Patricia and Thea for their hard work in tuning this essential outreach ministry.

On an altogether different, and personal, front. I have co-founded LGBChristians, a soon to be charity of lesbian and gay Christians who aim to oppose gender ideology and the medicalisation and transition of children and teenagers. It has quickly caught the attention of many outfits in the Church of England and other churches and has been bitterly opposed. We are now several dozen members strong and have found hundreds of supporters and friends.

I would finally like to thank the congregation for volunteering in so many ways, 'seen and unseen' as the Creed puts it: running the foodbank, the yearly debate, choir and the many people involved in our worship, including those who read, intercede, sacristans, live-streamers, and baptism assistants. I would also like to thank our PCC and the church wardens for their wise and efficient help, particularly David as he steps down this year. I would also like to thank John, who is stepping down after many years of painstaking service, and welcome Sean McLoughlin aboard. Thank you also to the four PCC members who are stepping down at the next APCM: Cynthia Poole, Tim Sanders-Hewett, Timothy Walker and Sarah Walker.

My final thanks must go to the office staff, Claire and Sophie, who have worked so hard to facilitate ministry in the absence of an Associate Priest.

Rev Lorenzo Fernandez-Smal

Music at St Luke's

The St Luke's Church Choir continues to be at the heart of our church's worship. Membership is very loyal but reducing. From time to time, we have welcomed temporary new members (or an old member coming back for a service or two), but we need an injection of permanent younger singing talent, as most regular singers are of the older generation. Consequently, our repertoire has shrunk somewhat as we do not have the forces to perform the larger anthems at the moment. However, we have maintained our tradition of singing an anthem at all sung services, including the 'special' events (e.g. Ash Wednesday, Maundy Thursday etc). The highlight of our year, as ever, was the Carol Service, in December, when, as usual, our numbers were swelled by friends and relatives, and we were able to sing a very varied repertoire of carols which was extremely well attended by the congregation. Another highlight this year was the Festival Eucharist celebrating the church's 150th anniversary in November, when we welcomed back Alison Benton, to lead us, as well as many other old choristers. Patricia, our apprentice organist, is rapidly increasing her playing repertoire and her ability to lead our services. At the 9 am Family Service, we have seen a much-increased regular attendance, and a small Junior Choir are responsible for leading the singing, and also playing voluntaries (on the piano) before and after our worship. The same children, often joined by other less regular attenders, also contribute a lot to our series of Café services, held throughout the year, by playing instrumental solos, and leading the singing.

FAMILIES, CHILDREN & YOUTH

Café Services

Our Café Services continued to gather momentum during 2024. They are inter-generational and have involvement from across all our congregations and wider community. There were contributions from old, young and everyone in between. They include café style worship with music, prayers, readings and of course refreshments. We held them for Christingle, Maundy Thursday, Pet Service, and at Christmas. Everyone who attended the services very much enjoyed the worship activities and the community feel of them.

We hope to continue holding them in the next year.

Come and Sing Event

Our Director of Music, Derek Carden, and Alison Roche organised another session and held a fun hour of music and activities before Café Carols in December for everyone from 5 to 16 years old. At the end of the session the children led the music at Café Carols.

Christmas, the Nativity Play and the Posada

Christmas celebrations began with **Café Carols** on a Sunday afternoon, with lots of music and festive treats, followed by a very festive and busy Play & Pray in the week leading up to Christmas. This Play and Pray provided an opportunity to share the Christmas message with all of our regular attenders with a Nativity story followed by nursery rhyme nativity singing. A great way to engage with the toddlers and their parents and carers.

The Posada was organised again this year by Lorenzo and Alison from 16 to 24 December to welcome Mary & Joseph to stay at homes around the parish! The idea was to welcome the family with a prayer and share the story with your family, before travelling to the next stop. The set came with a booklet of the prayers and story to use. On Christmas Eve, the figures were returned to church.

On Christmas Eve, Alison & Lorenzo led a group of children to put on a great play for our **Nativity Service** on Christmas Eve which included many children (with only one rehearsal) and one of our 9am families leading a tableau of the Holy Family. The church was packed with many families attending and enjoying the play and the carols.

Junior Church and Post 9am Family Service Activites

Junior Church during the 10.30am Parish Eucharist was put on hold during 2024. It sadly hadn't been very well attended every week but when there are children the sessions have gone very well. At Easter, on Remembrance Sunday and during the Anniversary Celebration Service Junior Church was held. It was particularly busy on Easter Sunday with the children enjoying making an Easter banner and a chocolate Easter Egg Hunt and again on Remembrance Sunday when the children made paper poppy wreaths and learning about Remembrance.

There have been various activities, such as simple activity sheets, after the 9am Family Service for the children to do while the adults have coffee.

Pray and Play on a Wednesday & Playgroup on a Thursday

Our Wednesday morning community sessions with 'Play & Pray' continued to go from strength to strength beginning with free play and everyone coming together for a story, singing and prayers at the end for about 15 minutes. There are regularly over 25 parents and carers with their young children.
The Thursday afternoon playgroup is a Drop in Stay and Play playgroup that has many regular parents and carers who come to both our toddler groups. Those that only come on a Thursday are so grateful for the support they get from a group running in the afternoon. Some of the families have started coming to our Café Services.

Safeguarding

Safeguarding is taken seriously across the Diocese of Southwark, as it is also at St Luke's. We receive constant information and updates and here are many courses run by the Diocese for the officers & clergy which require attendance. We have two Parish Safeguarding Officers, Christine Lucia and Alison Roche. The PSOs are well supported by the Vicar and the PCC. All relevant volunteers are DBS checked and renewed regularly and a Safer Recruitment Policy is in place. In the second half of 2024 we ran two in-house safe-guarding training courses which were well attended. Anybody who was unable to do so undertook an online version of the course.

Pastoral Care

St Luke's Pastoral Leadership Team (PLT) co-ordinates care and prayer for everyone within the parish and the local community. In addition, it provides volunteers to help at many social gatherings organised by the church.
We are very grateful for those members of the congregation who provide lifts to church for those who otherwise would not be able to attend and to those who
deliver the weekly reading sheet and notices.
Organising baptisms, and recruiting and training baptismal assistants is an important part of the PLT's remit, and we are pleased to welcome new members to the team.
The Prayer Chain, updated monthly and circulated among a faithful group who pray regularly for those in need, is another important ministry managed by the PLT.
Maralee Vezie left the committee this year following her move to USA, we thank her for all her work at S Lukes and wish her and her family best wishes for the future.

Social Events

We began the year with a Quiz Night with Fish & Chips for supper, which was well and by everyone. The ever-popular Summer Barbecue was brilliantly organised as usual by Barbara McPhee. Both young and old enjoyed delicious food on a beautiful sunny day.

Barbara also ran two well attended Courtyard Cafés, the first one in May for Christian Aid and the second one in September for Macmillan Cancer. A lovely social way to get together and raise funds for two great causes.

In November a weekend of events was held to celebrate 150 years since St Luke's Church was built. A special extended magazine was produced and distributed to the whole parish. The celebrations began with an evening discussion about Building Communities organised by Roger Black and his committee. On Saturday there was a tremendous Open Day organised by Libby Spurrier and a team of many helpers. On Sunday there was a Celebration Service, with many of the past clergy returning to take part in the service. This was followed by a celebratory lunch.

Christmas Market 2024

This batten was handed over to Josie Ogg to take the helm of organising the 2024
Christmas Market. This wonderful event is a great opportunity for the whole of the St Luke's congregation and wider Parish community to come together for an afternoon of merriment and fundraising.
The St Luke's market stalls are run by a very dedicated team of seasoned volunteers who all worked extremely hard in making the day such a success. This was particularly appreciated as many of them (if not all!) had 2 weeks earlier been volunteering at the very special 150th Anniversary weekend. A couple of parents from the 9am service also volunteered for the first time and we hope to build on this number for next year. The date of the market was unusually early this year which caught quite a few people out and they were disappointed that they were unable to attend.
We will learn from this and advertise the market date in the summer (for it is yet again going to be held in November). The market raised an impressive £8,500 for St Luke's and its ministry. Josie has confirmed that she will organise the Market in 2025.

In the Community

Our Wednesday mornings have given us the opportunity to bring together the generations with some older people arriving for coffee in time to join in the singing at the end of our Play & Pray session before their coffee morning. We have welcomed some new faces this year.
During our coffee mornings throughout the year groups of girls from Broomwood School have joined us each term, sharing their artwork, poetry and enthusiasm for their recent work with those attending. During 2024 we held a session with the Thurleigh Road Doctors Surgery and during 2025 hope to make this a more regular event.

Glass Door

We are delighted to have been able to maintain the full Night Shelter support with Glass Door on Sunday evenings from November 2024 to April 2025 – a total of 22 nights. The number of guests for the Wandsworth circuit has been around 30 per night – sometimes fewer, sometimes more. We are, as ever, indebted to our wonderful volunteers who are operating in four separate teams to set up the community hall, prepare a three-course meal, welcome guests, serve dinner and ensure everything is tidied away early on Monday morning in time for regular weekly activities. We are blessed to have over 50 people from St Luke's congregation and the wider community regularly supporting Glass Door's crucial work.

Wandsworth Foodbank

St Luke's continues to support Wandsworth Food Bank on a regular basis. The need for this in the community cannot be understated as the current cost of living crisis goes on for many of the vulnerable in our society. Originally based at St Mark's Church, Battersea Rise, Wandsworth Foodbank now has its home in an industrial estate beside Wandsworth Town. Distribution goes across the Borough to various locations by a small team of volunteers. The Foodbank trolley in St Luke's continues to be filled regularly by members of the congregation and the community. Particular thanks are due to Suzy and Ron Lamont and to Liz Butler for taking our collections to the base in Wandsworth.

Use of the Community Hall

St Luke’s Community Hall continues to be very busy every day of the week as we host two nursery schools, the Uniformed Groups, two drama classes, three adult yoga and Pilates classes, indoor rugby for pre-school children, a choir and, once a month, the Wandsworth Carers Dementia Café. We host Gamblers Anonymous and Cocaine Anonymous too.

During the half term and school holidays, the hall hosts several holiday camps, and there are also revision, acting and art classes in the other rooms.

There are up to three party bookings most weekends. Glassdoor has returned this year on Sunday evenings over the winter, accommodating up to 35 guests. They use both the Shepherd Hall and the Oak Room and have the use of the Allison Room too if necessary.

The Community Hall hosts a wide range of groups, ages and charities and all the rooms and spaces are used to almost full capacity.

Charitable Grants

The Charitable Grants Committee distributed a total of £18,800 to local and international charities in 2024 The support was spread across sixteen different charities.
The Charitable Grants committee is made up of 8 members of the congregation plus a Chair.
The local charities that benefitted included the following:

- A local State school whose pupils are amongst the poorest and challenged in the country.
- Help and support for babies, under 5's and households needing additional support.
- Rehabilitation charities for ex-offenders and those currently in prison and about to leave prison.
- Summer activities and trips for underprivileged children in the summer holidays.
- International charities working with children, women and helping start up businesses.
- Glass Door

The international charities included projects in Peru, Mali, Tanzania, South Africa, and South India. The projects included development projects, work with and support of the very poor, children and prisoners. Education has been a focus.
In all cases of International charitable donations, we had contacts from within the congregation who kept in frequent contact with the charity. We also had a dedicated member of the committee for every charity we supported both locally and internationally who checked on progress and how our donation was utilised. We do not support National Charities as our donations are made to make a significant donation to small charities.
The level of grants we award to each charity range from £250 to £1,5K per charity
This year we have had representatives from benefitting charities visit St Luke's to speak in the sermon slot to explain their work and the continuing and, in many cases, increased need. They have all been extremely grateful to St Luke's for our support. The four benefitting charities who spoke at the 10.30am Sunday Service were South London Refugee Association, Change For Good, Restore and Home-Start

Christian Aid

Christian Aid Week ran from 12th to 19th May 2024. A very big thank you to all those who arranged, supported and ran events. It involves a lot of planning and hard work beforehand and then time and effort on the day itself. You are all very much appreciated. Thanks in particular to John & Laurie, Barbara, Francoise, Tony, John, Libby, Sandy and Richard.
We raised a good £5,610 from a range of events: Plant Stall, Courtyard Café, Francoise's Garden, Rich/Poor Lunch, Car Wash and a St Lukes donation page on the Christian Aid web site.
St Luke's has always supported Christian Aid with great enthusiasm. We should be proud of how we come together as a community to raise money for such a good cause.

St Luke's Music Society 2024

2024 saw a very successful series of concerts with the end of the 21st season and the start of the 22nd season. The programme had the regular mix of international performers and younger rising stars and also the mix of performing styles. International stars included soprano Lucy Crowe, The Sixteen choir and cellist Alban Gerhardt with pianist Steven Osborne. Rising stars included Ben Goldscheider and the Maxwell String Quartet. The Festival Chorus performed Mozart's Requiem in the spring and Bach's Christmas Oratorio just before Christmas. Both concerts under their conductor Rosie Howarth were completely sold out as was the concert by The Sixteen.

The Music Society continued to work with Wandsworth Music, the hub for thousands of young people across the Borough based in Burntwood School. During the year Ben Goldscheider gave a horn masterclass, and the Maxwell Quartet worked with 3 quartets from Wandsworth Music. Later in the year A4 Brass ensemble coached the brass players before their successful concert in St Luke's

During the year the current committee began to meet with several people who are interested in running the Music Society after the 2025/6 season. Led by Oliver Ogg the new team will begin to take over some of the current roles during the 2025/6 season and start to plan future seasons.

Thanks are due to so many people who help to make the Music Society a success from creating the programme to setting up lighting and washing up and clearing the staging after concerts. Thanks, are also due to our sponsors, Oranges and Lemons, Gregsons Solicitors and Killik and to our anonymous sponsor who supports the hire of pianos.

The year saw a small surplus of around £5000 to add to the reserve built up over 22 years of £73k which appears in the church accounts.

OUR BUILDINGS

The Community Hall

This year the kitchen, the office and the adult toilets were painted in the summer months. The skirting boards were revarnished. All the railings on the interior and exterior of the hall were also painted.

The disabled lift adjacent to the Allison Room was removed and new railings installed in its place. The space created by the lift is being used by the nursery for storing chairs and a small seating area.

The underfloor heating manifolds and controls were updated. Many of the manifolds were leaking and corroding and had to be replaced and the thermostat controls were replaced with new digital controls. Unfortunately, the boilers were condemned due to poor servicing over many years and both were replaced with one new boiler.

The gas oven in the kitchen was replaced with a commercial electric oven as the old oven could not be repaired.

To ensure safety and the safeguarding of all the children and individuals in the hall a PIN keypad entry system has been installed. This means that individuals and groups have their own allocated codes including the congregation each Sunday. There should be no need for the door to be propped open at any time improving the security and safety of the users of the hall.

Church Fabric

Following the Quinquennial Inspection in 2021, the remaining minor brickwork repairs have been undertaken where specified.

Some repairs to the drains on the north side of the church near the vestry were undertaken.

The alarm system was upgraded enabling remote setting and disabling.

The vestry boiler was removed as it was also condemned due to poor servicing and the pipework from the church boilers was extended to the radiators in the vestry instead of replacing the boiler.

All the electroliers in the nave of the church were beautifully restored by Claudia Fiocchetti and her team as part of the 150th Anniversary. It is hoped that the chancel electroliers will be restored next year.

Canford Road

Yunghee Koh and her family moved out in January. The bathroom was old and tired and had a broken bath and sink. There were also drainage issues. The bathroom was therefore replaced and refurbished.

As the house was empty, a temporary tenant moved into Canford Road (until the new assistant priest was appointed) in November. The temporary tenant redecorated the house to a high standard and purchased new fixtures and fittings. As a result, the Canford Road property has been transformed from a rather tired house into a clean, cosy and smart home ready for our new assistant vicar.

Wroughton Road

The top, first floor flat remains occupied by the same rent-controlled long-term tenant. The bathroom in this property had to be retiled and the window and sills were repaired and painted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The method of appointment of Parochial Church Council [PCC] members is set out in the Church Representation Rules. At St. Luke's the membership of the PCC consists of the Vicar, the churchwardens and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services, as members of the congregation, are encouraged to register on the Electoral Roll and stand for election to the PCC.

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

At the last APCM we changed the electoral process to elect 1/3 of the PCC members each year for a 3-year term.

The PCC met six times during the year, all in person. Given its wide responsibilities the PCC has several committees each dealing with a particular aspect of parish life. The committees are as follows:

Charitable Grants (formerly Mission & Outreach)
Christmas Market
Communications
Finance
Hall Management
Health and Safety
Pastoral Leadership
St Luke's Music Society
Stewardship
Welcomers

Each committee reports back to the PCC regularly highlighting items which require PCC discussion or decision.

In addition, the Standing Committee, made up of the Vicar, Churchwardens and Treasurer, has the power to transact the business of the PCC between its meetings subject to any directions given by the Council. This committee meets prior to each PCC meeting to consider outstanding issues and plan the PCC Agenda.

The Safeguarding Officers (Child Protection) are Christine Lucia and Alison Roche. They are responsible for ensuring that a Disclosure Barring Service search is conducted on all those who work with children and vulnerable adults in the church. They are also responsible for the safeguarding of vulnerable adults in the church.

Risk assessments received their regular annual review. The Premises Manager and Church Wardens have been designated as the responsible persons with regard to fire safety and the Premises Manager ensures that the fire extinguishers are maintained annually. Health and Safety risk assessments and fire risk assessments are undertaken at regular intervals.

RISK ASSESSMENT

The PCC confirms that the major risks to which the Council has been exposed were identified by risk analysis exercises. The risks identified and steps taken to mitigate these risks are as follows:

- *Property fire or theft*. Insurance cover is maintained against both these risks. Fire inspections are carried out annually by a suitably qualified and experienced professional and fire extinguishers are tested and replaced as advised.

- *Liability of trustees*. Trustees' indemnity insurance cover is maintained.

- *Misappropriation of funds*. The budgeted expenditure for each year is approved by the full PCC. The amounts of cash held at any one time are not material to the Parish. Two signatories are required for all cheques and to authorise online payments. All matters involving significant unbudgeted expenditure are put to the full PCC.

- *Revenue falling below committed expenditure*. The Finance Committee operates a system of monitoring both income and expenditure throughout the year. Any anticipated deficit is addressed through a review of committed expenditure and sources of income including voluntary giving.

- *Allegations of inappropriate behaviour against persons acting on behalf of the parish*. The parish subscribes to the Diocesan scheme for screening all those involved in children's and youth work and work with vulnerable adults, including DBS checks. As is set out in 'A Safe Church', activities are structured in a way that minimises the potential for abuse or allegations of abuse to arise.

FINANCIAL REVIEW

Key financial outcomes for the church are considered to be:

Total income for the year: £620.4k (2023: 615.3k)

Surplus/(deficit) for the year including investment gains but excluding building depreciation: (£68.2k deficit) (2023: £24.1k surplus). The year included substantial one off work on our buildings including new boiler and heating controls in the hall, new heating in the church vestry, refurbishment work at our residential properties, drainage and brickwork repairs to the church and improvements to hall entry and church fire detection and alarm systems.

Net current unrestricted funds: £141.1k (2023: £151.7k)

During the year, the General Fund expenditure was £439.3k comprising £386.5k of church operating costs and £52.8k of depreciation of fixed assets. The income for the year was £374.9k giving a deficit compared to operating costs of £11.6k excluding depreciation, a smaller deficit than the budget forecast. Revaluation of our two residential properties resulted in a fair value gain of £30.0k which gave a net decrease in the General Fund of £8.9k.

The Hall Management Fund decreased by £25.2k. The operation of the hall made a surplus of £6.4k excluding the £22.4k used for property repairs, the investment fund gain of £5.3k and the transfer of £14.5k to the Hall Repair Fund.

From the Hall Repair Fund £37.4k was expended on new boilers and heating controls in the hall.

From the Legacies Fund £27.6k was expended on the salary cost of our Community and Families Coordinator and Assistant Youth Minister.

The new 150th Anniversary Fund received £40.9k in sponsorship and donations and expended £37.0k on the restoration of the electroliers in the nave of the church.

The £350.0k of our reserve funds invested in 2022 in the CBF Church of England Investment Fund (Accumulation Shares) with a view to safeguarding against inflation over the next five years were valued at £405.3k at the end of 2024. Shares can be sold should the need arise in that period.

Church Income and Expenditure (General Fund)

During 2024 regular stewardship giving decreased by £21.0k and income from envelopes and cash from collections at services, including by card reader, increased by £1.0k. Voluntary giving from these sources was £180.7k compared to £200.7k in 2023. Other one-off donations raised £9.2k and £39.6k was received in Gift Aid tax reclaims.

Lettings income for the church increased by £0.1k to £30.3k compared to 2023 (£30.2k). Property income from our Wroughton Road flats decreased to £12.9 compared to 2023 (£22.4k) after the final payment for a licence for extension works. The electricity payments by the antenna operator increased by £6.7k.

As always, the largest component of our expenditure was the Parish Support Fund at £169.0k,an increase of £6.0k from 2023 as pledged to the diocese. This is used by the Diocese to pay clergy salaries, housing and other expenses and for diocesan staff and activities and as a well-off congregation, we rightly continued to help poorer parishes.

Charitable giving was in two parts: our regular giving was £18.8k, the same as in 2023, plus the collections made from time to time for specific charities (£4.0k). Church running costs were reduced as there was no Associate Priest during 2024. Church building maintenance costs increased to £34.2k and utilities remained similar to 2023 at £57.6k including the antenna electricity for which we are reimbursed by the operator.

Property maintenance increased to £13.8k mainly for work to the tenanted flat in Wroughton Road.

For 2025 we have decreased our pledge to the diocese Parish Support Fund to £129.0k, a decrease of £40.0k to cover the cost of an Associate Priest for the year. As a result of this and decreased utilities costs our overall church operating expenses before adding depreciation costs should lead to a decreased deficit for the year of £12.4 k. The cost of the Families and Community Coordinator and Assistant Youth Minister will be taken from our Legacy Fund. We are holding a planned giving campaign in the autumn and aiming to increase our stewardship income from the present level by £5.0k plus associated Gift Aid tax refund of £1.0k, with the objective of reducing this deficit.

The Community Hall (Hall Management Fund)

During 2024 the operation of the hall cost £132.3k and made a contribution to the hall repair fund of £14.5k. In addition, the hall management fund paid £22.4k for refurbishment work at the house in Canford Road . The hall lettings income decreased to £137.5k, less than 2023 (£144.6k). Outgoings for the hall are expected to be £116.3k in our 2025 budget as a result of decreases in utility and cleaning costs.

Planned Giving

The continued thrust of Stewardship in the year was the Planned Giving campaign in Lent, run by Sam Straker-Nesbit. The campaign focused on two themes: generosity and longevity. Circa 50% of funds raised go towards the Parish Share, and the remaining 50% of funds are required to continue with the ongoing maintenance and running of the Church. This was continued through the 150th anniversary celebrations with a 150th Fund founded to renew the electroliers.

The campaign proved adequate due to the fact that it maintained 2023 levels of fundraising, whilst the 150th anniversary fund received £40.9k, which allowed a significant number of the electroliers to be reinvigorated.

The Stewardship Committee is very grateful to the congregation for their ongoing support but recognizes that the total sums raised reflect the continued generosity of a relatively small proportion of donors. The Committee will be working in subsequent campaigns to reduce this reliance.

RESERVES POLICY

General Fund

Ideally, we would maintain reserves equal to six months' church operating expenses, i.e. £165.4.k (50% of our 2025 budget). At 31st December 2024, our unrestricted funds net current assets were £141.1k, which is sufficiently close to this target.

Designated Fund

Ideally, we would maintain reserves equal to six months' hall operating expenses, i.e. £58.2k (50% of our 2025 budget). At 31st December 2024, our designated funds net current assets were £161.7k, which more than meets our target.

ADMINISTRATION INFORMATION

St. Luke's Church Battersea is situated on the corner of Ramsden Road and Thurleigh Road in London SW12. It is part of the Diocese of Southwark within the Church of England. The correspondence address is:

St Luke's Church Battersea
The Parish Office
194 Ramsden Road
London SW12 8RQ

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in this report as the PCC. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). St Luke's was registered with the Charity Commission in September 2009, Registration No.1131772. The members of the PCC are the trustees of the charity.

Vicar: Reverend Lorenzo Fernandez-Smal

Premises Manager: Sophie Seddon
Parish Office Manager: Claire Healey
Communities and Families Coordinator: Alison Roche
Playgroup Leader: Thea Blurton

Church Wardens: David Seward, Emma Palmieri

Deputy Church Wardens: Roger Black, Andrew Cheeseman, Sophie Seddon, James Vyvyan

Deanery Synod Representatives: Jenny Bailey, Claire Goddard, James Vyvyan, Richard Stonor

Parochial Church Council: Vicar, Church Wardens, Deanery Synod Representatives, Cynthia Poole, Tim Sanders-Hewett, Sarah Walker, Timothy Walker, John Lucia, Tony Blurton, Rosie Collins, David Powell, Jenny Bailey, Simon Gibbins, Jonathan Haydock, Sam Straker-Nesbit, Libby Spurrier, Gery Roberts, Duncan Roberts
PCC Treasurer: John Lucia
PCC Secretary: Gilly Black

Electoral Roll Officer: Claire Healey

Director of Music: Derek Carden
Apprentice Organist: Patricia Cheung

Safeguarding Officers: Christine Lucia and Alison Roche
Health and Safety Officer: an appointment process is underway

Auditor: Wellden Turnbulll Limited
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Parochial Church Council (PCC), who act as the trustees, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:
`

a) select suitable accounting policies and apply them consistently;
b) observe the methods and principles in the Charities SORP;
c) make judgments and estimates that are reasonable and prudent;
d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The PCC are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the PCC are aware:

- there is no relevant audit information of which the church's auditor is unaware; and
- the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on 7th May 2025 and signed on their behalf by Revd Lorenzo Fernandez-Smal (PCC Chairman).



PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2024

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2024 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charity's, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings for instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business;
-Performing audit work over sources of revenue against supporting documentation and just giving forms to ensure that income have been recognised in the correct accounting period;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2022. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 11/04/2025

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2024

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2024 £	*2023 £*
INCOME FROM:						
Donations and legacies	2(a)	236,646	-	44,948	**281,594**	*255,591*
Activities for generating funds	2(b)	109,660	137,461	61,356	**308,477**	*321,550*
Investments	2(c)	21,613	1,149	600	**23,362**	*34,994*
Church activities	2(d)	6,948	-	-	**6,948**	*3,182*
Total		374,867	138,610	106,904	**620,381**	*615,317*
EXPENDITURE ON:						
Raising funds	3(a)	15,362	-	61,153	**76,515**	*74,465*
Church activities	3(b)	423,933	154,701	105,943	**684,577**	*612,558*
Total		439,295	154,701	167,096	**761,092**	*687,023*
Net income (expenditure)		(64,428)	(16,091)	(60,192)	**(140,711)**	*(71,706)*
Transfers between funds	9	24,500	(14,464)	14,464	**24,500**	*24,500*
Net income before investment gains		(39,928)	(30,555)	(45,728)	**(116,211)**	(47,206)
Gains/losses on investment funds	7(a)	1,021	5,343	13,322	**19,686**	43,047
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	30,000	-	-	**30,000**	-
Net gains/(losses) on investment properties	6(b)		-	-	**-**	*(86,250)*
Net movement in funds		(8,907)	(25,212)	(32,406)	**(66,525)**	(90,409)
Reconciliation of funds						
Total funds brought forward	9	2,911,355	186,967	417,868	**3,516,190**	*3,649,558*
Total funds carried forward	9	2,902,448	161,755	385,462	**3,449,665**	*3,559,149*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2024

	Note	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	6(a)	1,131,313	-	-	1,131,313	*1,159,645*
Residential property for church use	6(b)	1,255,000	-	-	1,255,000	*1,225,000*
Investment properties	6(b)	375,000	-	-	375,000	*375,000*
Total fixed assets		2,761,313	-	-	2,761,313	*2,759,645*
CURRENT ASSETS						
Investment funds	7(a)	21,021	110,012	274,275	405,308	*385,622*
Debtors	7(b)	19,028	22,038	144	41,210	*31,829*
Cash at bank and in hand		115,959	29,956	116,043	261,958	*367,372*
Total current assets		156,008	162,006	390,462	708,476	784,823
LIABILITIES						
Creditors: amounts falling due within one year	8	14,873	251	5,000	20,124	*28,278*
Net current assets		141,135	161,755	385,462	688,352	*756,545*
TOTAL NET ASSETS		2,902,448	161,755	385,462	3,449,665	*3,516,190*
PARISH FUNDS						
Unrestricted funds	9	2,902,448	-	-	2,902,448	*2,911,355*
Designated funds	9	-	161,755	-	161,755	*186,967*
Restricted funds	9	-	-	385,462	385,462	*417,868*
Total funds		2,902,448	161,755	385,462	3,449,665	*3,516,190*

Approved by the Parochial Church Council on 3rd April 2025 and signed on its behalf by:



Revd Lorenzo Fernandez-Smal, Vicar



John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2024

	2024		2023	
	£	£	£	£
Net cash from/(used in) operating activities*		(109,090)		13,906
Cash flows from investing activities				
Purchase of tangible fixed assets	-		-	
Interest and rent from investments	23,362		34,994	
Net cash provided by/(used in) investing activities		23,362		34,994
Change in cash and cash equivalents in the reporting period		(85,728)		48,900
Cash and cash equivalents at 1 January		752,994		704,094
Cash and cash equivalents at 31 December		667,266		752,994
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(116,211)		(47,206)
Adjustments for:				
Depreciation charges		28,332		40,832
Interest and rent from investments		(23,362)		(34,994)
(Increase) in debtors		(9,381)		(2,278)
(Decrease)/increase in creditors		(8,154)		14,505
Gains on investment funds		19,686		43,047
***Net cash (used in)/from operating activities**		(109,090)		13,906
Analysis of cash and cash equivalents				
Bank current accounts		79,373		67,285
Short term deposits		182,585		300,087
Investment funds		405,308		385,622
		667,266		752,994

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2024

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount brought forward

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b).”

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2024

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2024 £	*2023 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	7,092	-	6,161	13,253	*467*
	sub-total	7,092	-	6,161	13,253	467
	Voluntary giving					
	Stewardship & envelopes	166,353	-	-	166,353	*187,347*
	Loose cash incl by card reader	14,342	-	-	14,342	*13,357*
	Tax refund	39,648	-	746	40,394	*40,519*
	Donations, appeals etc.	9,211	-	38,041	47,252	*13,901*
	sub-total	229,554	-	38,787	268,341	*255,124*
	Total	236,646	-	44,948	281,594	*255,591*
2(b)	**Activities for generating funds**					
	Christmas market	12,751	-	-	12,751	*13,446*
	Church & hall lettings	30,314	137,461	-	167,775	*174,823*
	Antenna rent & cost of electricity	61,867	-	-	61,867	*55,193*
	Church musical & social activities	4,728	-	61,356	66,084	*78,088*
	Total	109,660	137,461	61,356	308,477	*321,550*
2(c)	**Investments**					
	Property lettings	11,033	-	-	11,033	*11,021*
	Licence fees for extension works	1,832	-	-	1,832	*11,354*
	Interest	8,748	1,149	600	10,497	*12,619*
	Total	21,613	1,149	600	23,362	*34,994*
2(d)	**Church activities**					
	Parochial fees received	6,948	-	-	6,948	*3,182*
	Total	6,948	-	-	6,948	*3,182*
	Total	**374,867**	**138,610**	**106,904**	**620,381**	*615,317*

3. EXPENDITURE ON:

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
		£	£	£	£	£
3(a)	**Raising funds**					
	Publicity and printing	5,513	-	-	5,513	*4,946*
	Christmas market	2,573	-	-	2,573	*3,912*
	Church musical & social activities	7,276	-	61,153	68,429	*65,607*
	Total	15,362	-	61,153	76,515	*74,465*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	4,029	4,029	*1,915*
	sub-total	18,800	-	4,029	22,829	*20,715*
	Ministry					
	Diocesan parish support fund	169,000	-	-	169,000	*163,000*
	Clergy costs	-	-	-	-	*40,575*
	Other staff costs	2,478	-	27,595	30,073	*27,057*
	Parochial fees paid to diocese	2,440	-	-	2,440	*940*
	Nightshelter costs	500	-	-	500	*2,156*
	Other expenses incl petty cash	(1,134)	-	-	(1,134)	*3,209*
	sub-total	173,284	-	27,595	200,879	*236,937*
	Church expenses					
	Repairs & maintenance	34,245	-	-	34,245	*36,336*
	Electrolier restoration	-	-	36,965	36,965	-
	Insurance	7,429	-	-	7,429	*8,250*
	Utilities incl antenna electricity	57,557	-	-	57,557	*58,607*
	Cost of services incl music	20,572	-	-	20,572	*19,920*
	Sound system depreciation	-	-	-	-	*12,500*
	sub-total	119,803	-	36,965	156,768	*135,613*
	Community Hall expenses					
	Hall improvements & major works	-	13,192	37,354	50,546	*4,801*
	Insurance	-	1,838	-	1,838	*1,899*
	Running expenses incl utilities	-	86,528	-	86,528	*86,848*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	101,558	37,354	167,244	*121,880*
	Property expenses					
	Repairs & maintenance	13,770	22,424	-	36,194	*2,372*
	Utilities & council tax	2,956	-	-	2,956	*2,665*
	Insurance	2,039	-	-	2,039	*2,040*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*24,500*
	sub-total	43,265	22,424	-	65,689	*31,577*
	Administration					
	Salaries & wages (office)	19,960	28,688	-	48,648	*43,688*
	Telephone, postage, website etc.	6,716	1,904	-	8,620	*8,466*
	Professional fees	12,888	-	-	12,888	*12,708*
	Bank charges	885	127	-	1,012	*974*
	sub-total	40,449	30,719	-	71,168	*65,836*
	Total	423,933	154,701	105,943	684,577	*612,558*
	Total	**439,295**	**154,701**	**167,096**	**761,092**	*687,023*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £12,000 (£12,000 in 2023) and payroll services of £888 (£708 in 2023).

5(a) STAFF COSTS

	2024	*2023*
	£	*£*
Gross wages, salaries and benefits in kind	75,830	69,088
Employer's pension contributions	2,926	2,753
Employer's National Insurance costs	-	-
Total staff costs	78,756	*71,841*
Average number of employees in the year (including part time staff)	5	*5*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2024: £2,926, 2023: £2,753).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2023: None).

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2022: None).

During the year the church reimbursed expenses of £2123 (2023: £828) for 4 PCC members (2023: 5) including event costs.

There was no Associate Priest in post during 2024.

The house in Canford Road was refurbished during 2024 ready for a new Associate Priest and family who live there rent free starting in April 2024. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2023: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward Land around Community Hall	275,000	-	275,000
	Balance brought forward Community Hall	1,416,620	7,906	1,424,526
	Balance brought forward Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	531,976	57,905	589,881
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	-	-
	Balance carried forward	560,308	57,905	618,213
	Net book value			
	At 1 January 2024	1,159,644	1	1,159,645
	At 31 December 2024	1,131,312	1	1,131,313

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	2024	*2023*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,225,000	1,225,000
	Revaluation	30,000	-
	Balance carried forward	1,255,000	1,225,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*24,500*
	Elimination on revaluation	(24,500)	*(24,500)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2024	1,225,000	*1,225,000*
	At 31 December 2024	1,255,000	*1,225,000*
Investment properties			
5a Wroughton Road - tenanted flat		375,000	*375,000*
	Total	375,000	*375,000*
Reconciliation to brought forward:			
	Balance brought forward	375,000	*461,250*
	Net gain/(loss) from fair value adjustments	-	*(86,250)*
	Additions / disposals	-	-
		375,000	*375,000*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations were based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuation for 30 Canford Road at January 2023 should be increased by £30,000, the cost of renovations during 2024. The amount recognised in the accounts is £1,255,000.

Research in March 2024 indicated that the fair value for 5a Wroughton Road should be reduced.The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The PCC believe that this value remains correct and the amount recognised in the accounts is £375,000.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £12k (2023: £13k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	*350,000*
Revaluation loss in 2022	-	(2,015)	(5,410)	(7,425)	*(7,425)*
Revaluation gain in 2023	-	11,684	31,363	43,047	*43,047*
Market value at 31 December 2023	20,000	104,669	260,953	385,622	*385,622*
Revaluation gain in 2024	1,021	5,343	13,322	19,686	-
Market value at 31 December 2024	21,021	110,012	274,275	405,308	385,622

No new investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2024 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		5,712	-	144	5,856	*7,497*
Other debtors		13,316	22,038	-	35,354	*24,332*
	Total	19,028	22,038	144	41,210	*31,829*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		12,000	-	-	12,000	*12,000*
Other creditors		2,873	251	5,000	8,124	*16,278*
	Total	14,873	251	5,000	20,124	*28,278*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		139,795	-	(27,595)		5,166	117,366
150 Anniversary Fund		-	40,919	(36,965)	-	-	3,954
Special Collections Fund		-	4,029	(4,029)	-	-	-
Hall Repair Fund		205,064	600	(37,354)	14,464	8,156	190,930
Music Society Fund		73,009	61,356	(61,153)	-	-	73,212
	sub-total	417,868	106,904	(167,096)	14,464	13,322	385,462
Designated Funds							
Hall Management Fund		186,967	138,610	(154,701)	(14,464)	5,343	161,755
	sub-total	186,967	138,610	(154,701)	(14,464)	5,343	161,755
General Funds							
General fund		1,744,995	374,867	(439,295)	24,500	1,021	1,706,088
Fair value reserve		325,000	-	-	-	-	325,000
Revaluation reserve		841,360	24,500	-	(24,500)	30,000	871,360
	sub-total	2,911,355	399,367	(439,295)	-	31,021	2,902,448
Totals		3,516,190	644,881	(761,092)	-	49,686	3,449,665

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The 150 Anniversary Fund is set up to collect donations for and carry out the restoration of the historic electroliers as a celebration of the 150th anniversary of the first service at the original St Luke's Church

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £30,000 (2023: loss £86,250). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation gain recognised in the current year of £30,000 is offset by a reserves transfer for £24,500 (2023: £24,500) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2024 (2023: £18,800).

A total of £14,550 (2023: £12,300) was given to 11 (2023: 14) charities operating in the UK, with a maximum of £2,000 each (2023: £1,000).

A total of £4,250 (2023: £6,500) was given to 7 UK charities which operate overseas (2023: 9), with a maximum of £1,000 each (2023: £1000).

Special collections are also made with the proceeds being passed on to charities. A total of £4,029 (2023: £1,915) was donated to 3 charities in this way.

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2024

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2024 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charity's, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings for instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business;
-Performing audit work over sources of revenue against supporting documentation and just giving forms to ensure that income have been recognised in the correct accounting period;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2022. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 11/04/2025

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2024

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2024 £	*2023 £*
INCOME FROM:						
Donations and legacies	2(a)	236,646	-	44,948	**281,594**	*255,591*
Activities for generating funds	2(b)	109,660	137,461	61,356	**308,477**	*321,550*
Investments	2(c)	21,613	1,149	600	**23,362**	*34,994*
Church activities	2(d)	6,948	-	-	**6,948**	*3,182*
Total		374,867	138,610	106,904	**620,381**	*615,317*
EXPENDITURE ON:						
Raising funds	3(a)	15,362	-	61,153	**76,515**	*74,465*
Church activities	3(b)	423,933	154,701	105,943	**684,577**	*612,558*
Total		439,295	154,701	167,096	**761,092**	*687,023*
Net income (expenditure)		(64,428)	(16,091)	(60,192)	**(140,711)**	*(71,706)*
Transfers between funds	9	24,500	(14,464)	14,464	**24,500**	*24,500*
Net income before investment gains		(39,928)	(30,555)	(45,728)	**(116,211)**	(47,206)
Gains/losses on investment funds	7(a)	1,021	5,343	13,322	**19,686**	43,047
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	30,000	-	-	**30,000**	-
Net gains/(losses) on investment properties	6(b)		-	-	**-**	*(86,250)*
Net movement in funds		(8,907)	(25,212)	(32,406)	**(66,525)**	(90,409)
Reconciliation of funds						
Total funds brought forward	9	2,911,355	186,967	417,868	**3,516,190**	*3,649,558*
Total funds carried forward	9	2,902,448	161,755	385,462	**3,449,665**	*3,559,149*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2024

	Note	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	6(a)	1,131,313	-	-	1,131,313	*1,159,645*
Residential property for church use	6(b)	1,255,000	-	-	1,255,000	*1,225,000*
Investment properties	6(b)	375,000	-	-	375,000	*375,000*
Total fixed assets		2,761,313	-	-	2,761,313	*2,759,645*
CURRENT ASSETS						
Investment funds	7(a)	21,021	110,012	274,275	405,308	*385,622*
Debtors	7(b)	19,028	22,038	144	41,210	*31,829*
Cash at bank and in hand		115,959	29,956	116,043	261,958	*367,372*
Total current assets		156,008	162,006	390,462	708,476	784,823
LIABILITIES						
Creditors: amounts falling due within one year	8	14,873	251	5,000	20,124	*28,278*
Net current assets		141,135	161,755	385,462	688,352	*756,545*
TOTAL NET ASSETS		2,902,448	161,755	385,462	3,449,665	*3,516,190*
PARISH FUNDS						
Unrestricted funds	9	2,902,448	-	-	2,902,448	*2,911,355*
Designated funds	9	-	161,755	-	161,755	*186,967*
Restricted funds	9	-	-	385,462	385,462	*417,868*
Total funds		2,902,448	161,755	385,462	3,449,665	*3,516,190*

Approved by the Parochial Church Council on 3rd April 2025 and signed on its behalf by:



Revd Lorenzo Fernandez-Smal, Vicar



John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2024

	2024		2023	
	£	£	£	£
Net cash from/(used in) operating activities*		(109,090)		13,906
Cash flows from investing activities				
Purchase of tangible fixed assets	-		-	
Interest and rent from investments	23,362		34,994	
Net cash provided by/(used in) investing activities		23,362		34,994
Change in cash and cash equivalents in the reporting period		(85,728)		48,900
Cash and cash equivalents at 1 January		752,994		704,094
Cash and cash equivalents at 31 December		667,266		752,994
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(116,211)		(47,206)
Adjustments for:				
Depreciation charges		28,332		40,832
Interest and rent from investments		(23,362)		(34,994)
(Increase) in debtors		(9,381)		(2,278)
(Decrease)/increase in creditors		(8,154)		14,505
Gains on investment funds		19,686		43,047
***Net cash (used in)/from operating activities**		(109,090)		13,906
Analysis of cash and cash equivalents				
Bank current accounts		79,373		67,285
Short term deposits		182,585		300,087
Investment funds		405,308		385,622
		667,266		752,994

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2024

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount brought forward

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b).”

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2024

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2024 £	*2023 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	7,092	-	6,161	13,253	*467*
	sub-total	7,092	-	6,161	13,253	467
	Voluntary giving					
	Stewardship & envelopes	166,353	-	-	166,353	*187,347*
	Loose cash incl by card reader	14,342	-	-	14,342	*13,357*
	Tax refund	39,648	-	746	40,394	*40,519*
	Donations, appeals etc.	9,211	-	38,041	47,252	*13,901*
	sub-total	229,554	-	38,787	268,341	*255,124*
	Total	236,646	-	44,948	281,594	*255,591*
2(b)	**Activities for generating funds**					
	Christmas market	12,751	-	-	12,751	*13,446*
	Church & hall lettings	30,314	137,461	-	167,775	*174,823*
	Antenna rent & cost of electricity	61,867	-	-	61,867	*55,193*
	Church musical & social activities	4,728	-	61,356	66,084	*78,088*
	Total	109,660	137,461	61,356	308,477	*321,550*
2(c)	**Investments**					
	Property lettings	11,033	-	-	11,033	*11,021*
	Licence fees for extension works	1,832	-	-	1,832	*11,354*
	Interest	8,748	1,149	600	10,497	*12,619*
	Total	21,613	1,149	600	23,362	*34,994*
2(d)	**Church activities**					
	Parochial fees received	6,948	-	-	6,948	*3,182*
	Total	6,948	-	-	6,948	*3,182*
	Total	**374,867**	**138,610**	**106,904**	**620,381**	*615,317*

3. EXPENDITURE ON:

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
		£	£	£	£	£
3(a)	**Raising funds**					
	Publicity and printing	5,513	-	-	5,513	*4,946*
	Christmas market	2,573	-	-	2,573	*3,912*
	Church musical & social activities	7,276	-	61,153	68,429	*65,607*
	Total	15,362	-	61,153	76,515	*74,465*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	4,029	4,029	*1,915*
	sub-total	18,800	-	4,029	22,829	*20,715*
	Ministry					
	Diocesan parish support fund	169,000	-	-	169,000	*163,000*
	Clergy costs	-	-	-	-	*40,575*
	Other staff costs	2,478	-	27,595	30,073	*27,057*
	Parochial fees paid to diocese	2,440	-	-	2,440	*940*
	Nightshelter costs	500	-	-	500	*2,156*
	Other expenses incl petty cash	(1,134)	-	-	(1,134)	*3,209*
	sub-total	173,284	-	27,595	200,879	*236,937*
	Church expenses					
	Repairs & maintenance	34,245	-	-	34,245	*36,336*
	Electrolier restoration	-	-	36,965	36,965	-
	Insurance	7,429	-	-	7,429	*8,250*
	Utilities incl antenna electricity	57,557	-	-	57,557	*58,607*
	Cost of services incl music	20,572	-	-	20,572	*19,920*
	Sound system depreciation	-	-	-	-	*12,500*
	sub-total	119,803	-	36,965	156,768	*135,613*
	Community Hall expenses					
	Hall improvements & major works	-	13,192	37,354	50,546	*4,801*
	Insurance	-	1,838	-	1,838	*1,899*
	Running expenses incl utilities	-	86,528	-	86,528	*86,848*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	101,558	37,354	167,244	*121,880*
	Property expenses					
	Repairs & maintenance	13,770	22,424	-	36,194	*2,372*
	Utilities & council tax	2,956	-	-	2,956	*2,665*
	Insurance	2,039	-	-	2,039	*2,040*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*24,500*
	sub-total	43,265	22,424	-	65,689	*31,577*
	Administration					
	Salaries & wages (office)	19,960	28,688	-	48,648	*43,688*
	Telephone, postage, website etc.	6,716	1,904	-	8,620	*8,466*
	Professional fees	12,888	-	-	12,888	*12,708*
	Bank charges	885	127	-	1,012	*974*
	sub-total	40,449	30,719	-	71,168	*65,836*
	Total	423,933	154,701	105,943	684,577	*612,558*
	Total	**439,295**	**154,701**	**167,096**	**761,092**	*687,023*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £12,000 (£12,000 in 2023) and payroll services of £888 (£708 in 2023).

5(a) STAFF COSTS

	2024	*2023*
	£	*£*
Gross wages, salaries and benefits in kind	75,830	69,088
Employer's pension contributions	2,926	2,753
Employer's National Insurance costs	-	-
Total staff costs	78,756	*71,841*
Average number of employees in the year (including part time staff)	5	*5*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2024: £2,926, 2023: £2,753).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2023: None).

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2022: None).

During the year the church reimbursed expenses of £2123 (2023: £828) for 4 PCC members (2023: 5) including event costs.

There was no Associate Priest in post during 2024.

The house in Canford Road was refurbished during 2024 ready for a new Associate Priest and family who live there rent free starting in April 2024. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2023: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward Land around Community Hall	275,000	-	275,000
	Balance brought forward Community Hall	1,416,620	7,906	1,424,526
	Balance brought forward Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	531,976	57,905	589,881
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	-	-
	Balance carried forward	560,308	57,905	618,213
	Net book value			
	At 1 January 2024	1,159,644	1	1,159,645
	At 31 December 2024	1,131,312	1	1,131,313

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	2024	*2023*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,225,000	1,225,000
	Revaluation	30,000	-
	Balance carried forward	1,255,000	1,225,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*24,500*
	Elimination on revaluation	(24,500)	*(24,500)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2024	1,225,000	*1,225,000*
	At 31 December 2024	1,255,000	*1,225,000*
Investment properties			
5a Wroughton Road - tenanted flat		375,000	*375,000*
	Total	375,000	*375,000*
Reconciliation to brought forward:			
	Balance brought forward	375,000	*461,250*
	Net gain/(loss) from fair value adjustments	-	*(86,250)*
	Additions / disposals	-	-
		375,000	*375,000*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations were based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuation for 30 Canford Road at January 2023 should be increased by £30,000, the cost of renovations during 2024. The amount recognised in the accounts is £1,255,000.

Research in March 2024 indicated that the fair value for 5a Wroughton Road should be reduced.The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The PCC believe that this value remains correct and the amount recognised in the accounts is £375,000.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £12k (2023: £13k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2024	*2023*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	*350,000*
Revaluation loss in 2022	-	(2,015)	(5,410)	(7,425)	*(7,425)*
Revaluation gain in 2023	-	11,684	31,363	43,047	*43,047*
Market value at 31 December 2023	20,000	104,669	260,953	385,622	*385,622*
Revaluation gain in 2024	1,021	5,343	13,322	19,686	-
Market value at 31 December 2024	21,021	110,012	274,275	405,308	385,622

No new investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2024 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		5,712	-	144	5,856	*7,497*
Other debtors		13,316	22,038	-	35,354	*24,332*
	Total	19,028	22,038	144	41,210	*31,829*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		12,000	-	-	12,000	*12,000*
Other creditors		2,873	251	5,000	8,124	*16,278*
	Total	14,873	251	5,000	20,124	*28,278*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		139,795	-	(27,595)		5,166	117,366
150 Anniversary Fund		-	40,919	(36,965)	-	-	3,954
Special Collections Fund		-	4,029	(4,029)	-	-	-
Hall Repair Fund		205,064	600	(37,354)	14,464	8,156	190,930
Music Society Fund		73,009	61,356	(61,153)	-	-	73,212
	sub-total	417,868	106,904	(167,096)	14,464	13,322	385,462
Designated Funds							
Hall Management Fund		186,967	138,610	(154,701)	(14,464)	5,343	161,755
	sub-total	186,967	138,610	(154,701)	(14,464)	5,343	161,755
General Funds							
General fund		1,744,995	374,867	(439,295)	24,500	1,021	1,706,088
Fair value reserve		325,000	-	-	-	-	325,000
Revaluation reserve		841,360	24,500	-	(24,500)	30,000	871,360
	sub-total	2,911,355	399,367	(439,295)	-	31,021	2,902,448
Totals		3,516,190	644,881	(761,092)	-	49,686	3,449,665

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The 150 Anniversary Fund is set up to collect donations for and carry out the restoration of the historic electroliers as a celebration of the 150th anniversary of the first service at the original St Luke's Church

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £30,000 (2023: loss £86,250). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation gain recognised in the current year of £30,000 is offset by a reserves transfer for £24,500 (2023: £24,500) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2024 (2023: £18,800).

A total of £14,550 (2023: £12,300) was given to 11 (2023: 14) charities operating in the UK, with a maximum of £2,000 each (2023: £1,000).

A total of £4,250 (2023: £6,500) was given to 7 UK charities which operate overseas (2023: 9), with a maximum of £1,000 each (2023: £1000).

Special collections are also made with the proceeds being passed on to charities. A total of £4,029 (2023: £1,915) was donated to 3 charities in this way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales - Charity number 1131772

Accounts

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA

Registered Charity No. 1131772

ANNUAL REPORT

Year Ending 31 DECEMBER 2023

Parochial Church Council of St Luke, Battersea
Annual Report 2023

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

AIM AND PURPOSES

The Parochial Church Council of St Luke, Battersea (PCC) has the responsibility of cooperating with the Vicar to promote, in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church, the adjacent Community Hall and two residential properties.

OBJECTIVES AND ACTIVITIES

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within the parish. Our services and worship put faith into practice through prayer, scripture, preaching, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus Christ.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St Luke, the Community Hall and the two residential properties.

ACHIEVEMENTS AND PERFORMANCE

Worship and Ministry

The Vicar's Report

Getting back to full-time work gradually last year made me realise that, in many ways, we're still dealing with Covid's legacy. Coming out of the pandemic will take some deliberate recovering of what was lost, letting go of certain things, and holding onto what we have learned.

There is a sense of recovery in what we have learned, or relearned: that we need each other. We are not made to live solely individual lives; we need community, friendship, support, the encouragement and nourishment of others. We have also learned that we are more capable of creativity and adaptation than we'd thought. Our broadcasting of services has continued. The weekly worship of schools, now divided by age group, has become more creative. We need however to resist the temptation to think everything can return to how it was. It can't, because life is

different and we are different, and that can be seen by looking round the congregation: new people have joined, while some older members come less frequently now or are not able to come at all.

On the matter of loss, first, we must – without resigning ourselves to their absence — face the fact that the older children that used to sing in the choir and occasionally attended Junior Church have not come back. It is not a singularity at St Luke's but something that has been observed across the Church of England, indeed across most churches. There will be no sudden influx of pre-teens desiring to join the choir again. Crucially, we will have to reflect on the role of Junior Church. Could it be that this Victorian invention may have had its day? If we observe the world at large, we will notice that Christianity, by comparison with other religions, fares poorly wherever it is not a domestic reality. Young Muslims and Jews worship at home and together with their parents whereas we have been over-reliant on school and Sunday school to hand down the faith for us. This has failed quite spectacularly. To me, this is compounded by the fact that children now lead frightfully busy lives, crammed with extra-curricular and sporting activities, even on Saturdays. Sundays are their only leisure day and, if they do come to church, they wish to worship as a family and not be forced into joining yet another club. Another thing for us to consider is that our worship cannot and will not 'out-entertain' alternatives like ballet, hockey or rugby tots. It may be that our Junior Church ought to be closed temporarily to allow something else to emerge. It could be that our future lies in an intergenerational, short service in the morning while the adult preaching and big music find a home in a re-born celebration of Evensong. There is much to discuss.

I would like to thank Ali, Thea, Derek, and Patricia who have worked hard towards the re-birth of our 9am 'Little Mass.' It now boasts a budding children's choir and is blessed with about 30 new families, all of whom have joined St Luke's since lockdown. Though some worship more regularly than others, the challenge is now to keep them worshipping with us until their children, still very young, find a way to inhabit our adult services. This will require careful thinking as we attempt to revise our Mission Action Plan later this year, probably after our 150th anniversary celebrations.

I would like to ask everyone to make the effort to get to know new people and help them feel welcome, and that St Luke's is indeed a place to which they can belong.

Shaping the future as we emerge also includes the situation in Ukraine and the spiralling cost of living. On that front, I would like to thank all those who, among our congregation and beyond its bounds, volunteer with Glass Door over the winter season practically, prayerfully, or financially.

It is difficult to over-emphasise the importance of caring for one another, and especially those who are more vulnerable mentally, physically, emotionally, or spiritually as a result of either or both of the pandemic and rises in the cost of living. The inviting of others to belong isn't simply so that the pews are full, or that the future of St Luke's is financially secure, although all these things are indeed important. It's so that they can come to know the breadth and height and length and depth of the love of God, and to know that this love is for them, too.

Though she will not be present to hear this, I cannot thank the Rev'd Yunghee Koh enough, not only for her help in ministering caringly to our congregation, but also for leading so creatively and fruitfully when I was unwell. We will all miss a friend, and her family's contribution to our worship will be missed.

I would like to thank the congregation for volunteering for cleaning, decorating, or gardening, the foodbank, the yearly debate, choir and the many people involved in our worship, including those who read, intercede, sacristans, live-streamers, and baptism assistants. Clergy would look very silly without you all.

I would also like to thank our PCC and the church wardens for their wise, supportive and committed approach. Thank you in particular to those who are stepping down: Craig Abouchar, Sarah Bourke, Katie Ryan, and Maralee Vezie.

The PCC has committed to working towards being an Eco Church including reducing the carbon footprint of the church building and looking at our lifestyles and choices so that we live more responsibly as wise stewards rather than exploiters of God's creation. We have been awarded a bronze-status award from A Rocha and will now need to work towards a silver one.

My final thanks must go to the office staff, Claire and Sophie, who have worked so hard to facilitate ministry in the absence of an Associate Priest.

Rev Lorenzo Fernandez-Smal

Music at St Luke's

The St Luke's Church Choir has continued to be at the heart of the church worship throughout the year, as it should be. Membership has remained very loyal, but with slightly smaller numbers. We have maintained our tradition of singing an anthem at all sung services, including the 'special' events (e.g. Ash Wednesday, Maundy Thursday etc). From time to time we have welcomed new members (e.g. Josh in the Bass line), but we really need an injection of younger singing talent, as most members are now older singers. The highlight of our year was the Carol Service, in December, when, as is our tradition, our numbers were swelled to approximately 35 singers by friends and relatives, and the very varied repertoire of nine lessons and carols was extremely well received by the congregation. We have enjoyed working with Patricia, our apprentice organist and choirmaster, very much. Her confidence, both in her playing and in rehearsal, is increasing rapidly. Plans to restart our Junior Choir were made in 2023, and we hope to see them come to fruition in 2024.

Families, Children and Youth

Café Services

Our Café Services gathered momentum during 2023. They are inter-generational and have involvement from across all our congregations and wider community. There were contributions from old, young and everyone in between. They include café style worship with music, prayers, readings and of course refreshments. We held them for Christingle, Easter (on Good Friday), the Coronation, and at Christmas. Everyone who attended the services very much enjoyed the worship, activities and the community feel of them.

We hope to continue holding them in the next year.

Youth Gatherings

We really wanted to gather our young people and their friends together to build up their own little community here at St Luke's.

At the beginning of the year we invited young people and their parents to join us in church to explore this initiative further, and let us know what they wanted. At this first session there were refreshments and activities, including table tennis, table football and a space to chill. We asked both the young and their parents for their help and support. We continued with three more sessions for them as a group in March, May and July. We started with a short act of worship and continued with games and activities, and pizza!! Unfortunately, we didn't manage to schedule anything in the autumn term but will revive this in 2024.

Some of our young people helped out with car washing for Christian Aid in May – led by Thea, our wonderful Children's Ministry Assistant.

Come and Sing Event

Our Director of Music, Derek Carden, and Alison Roche organised and held a fun afternoon of music and activities in September for everyone from 5 to 16 years old. At the end of the afternoon parents were invited to come and hear what had been learnt with refreshments and a short act of worship.

Christmas, the Nativity Play, and the Posada

Christmas celebrations kicked off with **Café Carols** on a Sunday afternoon, with lots of music and festive treats, followed by a very festive Play & Pray in the week leading up to Christmas. This Play and Pray provided an opportunity to share the Christmas message with all of our regular attenders with a Nativity story followed by nursery rhyme nativity singing. A great way to engage with the toddlers.

The Posada was organised by Yunghee and Alison from 16 to 24 December to welcome Mary & Joseph to stay at homes around the parish! The idea was to welcome the family with a prayer and share the story with your family, before travelling to the next stop. The set came with a booklet of the prayers and story to use and an Advent candle to be lit and burned down one section on the night with Mary and Joseph stayed with the family. On Christmas Eve, the figures were returned to church during the Nativity Service.

On Christmas Eve, Lorenzo led a team to put on a great play for our **Nativity Service** which culminated with one of our 9am families leading a tableau of the Holy Family. The church was packed with many families attending and enjoying the play and the carols.

Junior Church and Post 9am Family Service Activities

Junior Church has been held on Sundays during the 10.30am Parish Eucharist. It sadly hasn't been very well attended every week but when there are children the sessions have gone very well. Sometimes they were led by the clergy, and sometimes by Alison with help from Thea. At Easter there were a lot of children who enjoyed the activities and the chocolate egg hunt!

There have been various activities, such as simple activity sheets, after the 9am Family Service for the children to do while the adults have coffee.

Play and Pray on a Wednesday & Playgroup on a Thursday

Starting our Wednesday morning community sessions with 'Play & Pray' continued to go from strength to strength beginning with free play and everyone coming together for a story, singing and prayers at the end for about 15 minutes. There are regularly over 25 parents and carers with their young children.

The Thursday afternoon playgroup is a Drop in Stay and Play playgroup that has many regular parents and carers who come to both our toddler groups. Those that only come on a Thursday are so grateful for the support they get from a group running in the afternoon. Some of the families have started coming to our Café Services.

Pastoral Care

St Luke's Pastoral Leadership Team (PLT) co-ordinates care and prayer for those of all ages in need in the local community and takes a role in various gatherings. During 2023 particular attention

was paid to the transportation needs of some members of the congregation. Cordinating weekly delivery of each Sunday's reading sheet and the weekly notices continued.

Organising baptisms, and recruiting and training baptismal assistants, is an important part of the PLT's remit, especially as the demographics of the parish mean that a high demand for baptisms is constant. The Prayer Chain, updated monthly and circulated among a faithful team who pray regularly for those in need, is another important ministry managed by the PLT.

The PLT keeps abreast of what is happening in the various ministries at St Luke's while not being involved directly.

Social Events

We began the year with a Safari Supper organised by Emma Palmieri which 45 people attended and enjoyed the hospitality of many wonderful hosts after drinks and canapes in the church. The ever popular Summer Barbecue was brilliantly organised as usual by Barbara McPhee at which we welcomed the new Bishop of Kingston. Both young and old enjoyed delicious food on a beautiful sunny day.

Barbara also ran two well attended Courtyard Cafés, the first one in May for Christian Aid and the second one in September for Macmillan Cancer. A lovely social way to get together and raise funds for two great causes.

A sandwich lunch was well attended in church after the APCM. Sadly, plans for a Harvest Supper and Barn Dance in the autumn had to be cancelled because not enough people signed up for it.

Future plans include a quiz evening with fish and chips, the usual summer bbq and a social event to celebrate our 150th anniversary.

Christmas Market 2023

The Christmas Market, organized by Maralee Vezie with able assistance from Emma Palmieri, is the major fundraising event of the year, but is also a wonderful social event for the Parish, bringing everybody together to enjoy (and run!) the many stalls and the excellent refreshments. Yunghee once again donned her chef's cap and apron to huge success, the mulled wine and mince pies sold out, as did the cakes. Thea organised a wonderful Activity Corner in the Lady Chapel, a great initiative which was enjoyed by many of our younger visitors and their families. A great effort was made in ways large and small from so many across the Parish, and the end result generated a very welcome £10,000 profit for St Luke's and its ministry.

In the Community

Our Wednesday mornings have given us the opportunity to bring together the generations with some older people arriving for coffee in time to join in the singing at the end of our Play & Pray session before their coffee morning.

During our coffee mornings throughout the year groups of girls from Broomwood School have joined us, sharing their artwork, music and enthusiasm for their recent work with those attending. The teacher organizing this with us moved on to a different role but we were able to host two poetry readings in the autumn term which we thoroughly enjoyed. We hope to continue this in 2024.

Glass Door

We are delighted to have been able to restart the full Night Shelter support with Glass Door on Sunday evenings this year. The 2022-23 season started a little later in December and the number

of guests for the Wandsworth circuit has been around 22 per night. We are, as ever, indebted to our wonderful volunteers who are operating in four separate teams to set up the community hall, prepare a three-course meal, welcome guests, serve dinner and ensure everything is squared away early on Monday morning in time for the beginning of the week. Despite the challenges of Covid over the past couple of years, we are blessed to have over 40 people from St Luke's congregation and wider community regularly supporting Glass Door's crucial work.

Wandsworth Foodbank

St Luke's continues to support the Wandsworth Foodbank with regular deliveries about every three weeks. The cost-of-living crisis has created ever more demand on the Foodbank affecting many people across the Borough. With this crisis following on so quickly from the pandemic it is incumbent on us as local citizens to support the Foodbank. Several people donate directly with direct debits, but the regular donations of food and vital necessities to the trolley in the hall lobby is hugely appreciated.

Thanks are due to Suzy and Ron Lamont, Liz Butler and Antony Lewis-Crosby for taking the donations to the Foodbank during the year.

Use of the Community Hall

St Luke's Community Hall continues to be very busy every day of the week as we host two nursery schools, the Uniformed Groups, two drama classes, three adult yoga and Pilates classes, indoor rugby for pre-school children, a choir and, once a month, the Wandsworth Carers Dementia Café. We host Gamblers Anonymous and recently managed to find a space for Cocaine Anonymous too.

During the half term and school holidays, the hall hosts a holiday camp, and there are also revision, acting and art classes in the other rooms.

There are up to three party bookings most weekends. Glassdoor has returned this year on Sunday evenings over the winter, accommodating up to 35 guests. They use both the Shepherd Hall and the Oak Room and have the use of the Allison Room too if necessary.

The Community Hall hosts a wide range of groups, ages and charities and all the rooms and spaces are used to full capacity.

Charitable Grants

The Charitable Grants Committee distributed a total of £18,800 to local and international charities in 2023. The support was spread across 22 charities.

The Charitable Grants committee is made up of 8 members of the congregation plus a Chair.

The local charities that benefitted included the following:

- Local State schools whose pupils were amongst the poorest and challenged in the country
- Help and support for babies and under 5's
- Rehabilitation charities for ex-offenders and those currently in prison.
- A Mental Health charity
- Foodbank
- Glass Door

The international charities included projects in Peru, Mali, Tanzania, South Africa, the Middle East and South India. The projects included development projects, work with and support of the very poor, children and prisoners. Education was a focus.

In all cases of International charitable donations we had contacts from within the congregation who kept in frequent contact with the charity. We also had a dedicated member of the committee who checked on progress and how our donation was utilized.

The level of grants we award to each charity range from £250 to £1K.

This year we have had representatives from benefitting charities visit St Luke's and take the sermon slots to explain their work and the continuing and, in many cases, increased need.

We invited and enjoyed representatives from four of our benefitting charities: Nehemiah (including 2 ex-offender residents), Springfield Flat, Spires and Restore. All were warmly received, informative and appreciated by the congregation.

Christian Aid

Christian Aid week ran from 14th to 20th May 2023. A very big thank you to all those who arranged and ran events. It involves a lot of planning and hard work beforehand and then time and effort on the day itself. You are all very much appreciated.

We raised nearly £3100.00. Christian Aid as a charity raised £5 million. Both these totals are less than in 2022 but we should not be disappointed; the economic situation has justifiably impacted charitable giving.

St Luke's has always supported Christian Aid with great enthusiasm. We should be proud of how we come together as a community to raise money for such a good cause.

St Luke's Music Society 2023

The year 2023 was bookended by the close of the 20th season and the start of the 21st - our coming of age season. St Luke's Music Society feels fully embedded in the life of St Luke's and its community. However the committee have been discussing the future in the knowledge that after 21 years none of the committee are getting any younger and it is not easy to find the appropriate people to replace us in the longer term.

Aside from the succession issues, 2023 has been another successful year both artistically and financially. The music programme included both established stars and rising star performers, vocal and instrumental music and to end the year some light entertainment.

The first concert featured home bred musicians with a small ensemble led by Samuel and Louisa Staples whose father ran Northcote Music in Northcote Road for many years. Following that we had an outstanding organ recital by the brilliant player and communicator Anna Lapwood which featured a large screen showing her at work on the St Luke's organ and talking to the audience from the organ stool. Established performers during the year were pianists Peter Donohoe and Angela Hewitt and soprano Carolyn Sampson (replacing Dame Sarah Connolly at extremely short notice). Lucy Parham and actor Alex Jennings presented a fascinating portrait of Rachmaninoff in the 150th anniversary of his birth. The year ended with a great evening with the Pasadena Roof Orchestra.

The Festival Chorus presented two concerts as part of the series with conductor Rosie Howarth featuring Rossini's Stabat Mater and Verdi's Requiem.

The Music Society's links with Wandsworth Music continued with masterclasses early in the year by Sam Staples, Peter Facer and Anna Lapwood. These events are hugely appreciated by the students and we are grateful to the musicians for giving their time to them on the day of their concerts. Further links with the National Opera Studio brought soloists for the Festival Chorus and an Opera Gala to open the 21st season in October.

Over 3500 people attended the 10 concerts during the year and probably 80% were members of the congregation and from the local area enabling the Music Society not only to break even but to make a surplus. 12% of our income goes to St Luke's as rental for the concerts and the surplus becomes part of the capital of St Luke's. Currently it retains £73,000 in the church accounts which includes advance ticket sales for the early concerts of 2024. During the year we also received local sponsorship from Killik and Co, Savills, Oranges and Lemons and Gregsons Solicitors who have supported the Music Society since our inception. Support for hiring our pianos has come from the late Jakki Moir and an anonymous donor.

The concerts could not happen without the voluntary support of the committee, the bar helpers, and the programme sellers. We also receive support from the men of Western Lodge who put up and take down the stage for each concert. Thanks are due to Pippa McDonald, Robin Cooke-Hurle, Liz Bracken, Liz Butler, Derek Carden, Jem Stagg, Antony Lewis-Crosby,Timothy Walker, Emma Gibbins, Anthony and Una Ogg, Ferelith Hordon and Tim Sanders-Hewett.

OUR BUILDINGS

The Community Hall

The Shepherd Hall, Oak Room, Allison Room and the Eagle Room, the corridors and children's toilets were decorated in the summer. The hall had not been decorated since 2019.

The disabled lift adjacent to the Allison Room is to be removed as its replacement is prohibitively expensive and its use is not required by any of the groups using the Allison Room (all were consulted). The space will be reconfigured for some storage and a seating area in 2024.

There has been no significant work undertaken in 2023 involving the Community Hall.

Church Fabric

Following the Quinquennial Inspection in 2021, the brickwork repairs have been undertaken where specified.

The main drains on the north side of the church were surveyed (due to drainage issues from the kitchen and flower sinks) and multiple fractures and defects were detected. These have been repaired but this has highlighted the need for a further small area of further work to the brickwork which is being undertaken early in 2024.

Canford Road

This house was occupied by St Luke's Associate Priest Yunghee Koh and family until they moved out in December 2023. Over 2023 there was no significant capital outlay towards this property.

Wroughton Road

The top, first floor flat remains occupied by the same rent-controlled long-term tenant. The ground floor lease holder has undergone renovations and an extension throughout most of 2023.

There have been some issues with the boiler and the drainage in the kitchen in the first floor flat, but otherwise there has been no significant capital outlay on this property.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The method of appointment of Parochial Church Council [PCC] members is set out in the Church Representation Rules. At St. Luke's the membership of the PCC consists of the Vicar, the churchwardens and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services, as members of the congregation, are encouraged to register on the Electoral Roll and stand for election to the PCC.

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

The PCC met six times during the year, all in person. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. The committees are as follows:

Charitable Grants (formerly Mission & Outreach)
Christmas Market
Communications
Finance
Hall Management
Health and Safety
Pastoral Leadership
St Luke's Music Society
Stewardship
Welcomers

Each committee reports back to the PCC regularly highlighting items which require PCC discussion or decision.

In addition, the Standing Committee, made up of the Vicar, Churchwardens and Treasurer, has the power to transact the business of the PCC between its meetings subject to any directions given by the Council. This committee meets prior to each PCC meeting to consider outstanding issues and plan the PCC Agenda.

The Safeguarding Officers (Child Protection) are Christine Lucia and Alison Roche. They are responsible for ensuring that a Disclosure Barring Service search is conducted on all those who work with children and vulnerable adults in the church. They are also responsible for the safeguarding of vulnerable adults in the church.

Risk assessments received their regular annual review. The Premises Manager and Church Wardens have been designated as the responsible persons with regard to fire safety and the Premises Manager ensures that the fire extinguishers are maintained annually. Health and safety risk assessments and fire risk assessments are undertaken at regular intervals.

RISK ASSESSMENT

The PCC confirms that the major risks to which the Council has been exposed were identified by risk analysis exercises. The risks identified and steps taken to mitigate these risks are as follows:

- *Property fire or theft*. Insurance cover is maintained against both these risks. Fire inspections are carried out annually by a suitably qualified and experienced professional and fire extinguishers are tested and replaced as advised.

- *Liability of trustees*. Trustees' indemnity insurance cover is maintained.

- *Misappropriation of funds*. The budgeted expenditure for each year is approved by the full PCC. The amounts of cash held at any one time are not material to the Parish. Two signatories are required for all cheques and to authorise online payments. All matters involving significant unbudgeted expenditure are put to the full PCC.

- *Revenue falling below committed expenditure*. The Finance Committee operates a system of monitoring both income and expenditure throughout the year. Any anticipated deficit is addressed through a review of committed expenditure and sources of income including voluntary giving.

- *Allegations of inappropriate behaviour against persons acting on behalf of the parish*. The parish subscribes to the Diocesan scheme for screening all those involved in children's and youth work and work with vulnerable adults, including DBS checks. As is set out in 'A Safe Church', activities are structured in a way that minimises the potential for abuse or allegations of abuse to arise.

FINANCIAL REVIEW

Key financial outcomes for the church are considered to be:

Total income for the year: £615.3k (2022: £561.6k)

Surplus/(deficit) for the year, before investment gains/(losses): (£47.2k) (2022: £20.7k)

Net current unrestricted funds: £151.7k (2022: £157.3k)

During the year, the General Fund expenditure was £461.1k comprising £395.8k of church operating costs and £65.3k of depreciation of fixed assets. The income for the year was £390.2k giving a deficit compared to operating costs of £5.6k excluding depreciation, a smaller deficit than the budget forecast. Revaluation of our two residential properties resulted in a fair value loss of £86.3k which gave a net decrease in the General Fund of £132.6k.

The Hall Management Fund increased by £9.2k. The operation of the hall made a surplus of £28.8k excluding the £18.4k used for church repairs, the investment fund gain of £11.7k and the transfer of £12.9k to the Hall Repair Fund.

From the Legacies Fund £21.9k was expended on the salary cost of our Community and Families Coordinator.

The £350.0k of our reserve funds invested in 2022 in the CBF Church of England Investment Fund (Accumulation Shares) with a view to safeguarding against inflation over the next five years were valued at £385.6k at the end of 2023. Shares can be sold should the need arise in that period.

Church Income and Expenditure (General Fund)

During 2023 regular stewardship giving decreased by £4.1k and income from envelopes and cash from collections at services, including by card reader, increased by £1.8k. Voluntary giving from these sources was £200.7k compared to £203.0k in 2022. Other one-off donations raised £12.0k and £40.5k was received in Gift Aid tax reclaims.

Lettings income for the church decreased by £7.4k to £30.2k compared to 2022 (£37.6k). Property income from our Wroughton Road flats increased to £22.4 compared to 2022 (£10.1k) as a result of a one off payment for a licence for extension works. The electricity payments by the antenna operator increased by £25.5k due to utility price rises.

As always, the largest component of our expenditure was the Parish Support Fund at £163.0k, the same as 2022. This is used by the Diocese to pay clergy salaries, housing and other expenses and for diocesan staff and activities and as a well-off congregation, we rightly continued to help poorer parishes.

Charitable giving was in two parts: our regular giving was £18.8k, the same as in 2022, plus the collections made from time to time for specific charities (£1.9k). Church running costs included the cost of our Associate Priest (£40.6k). Church building maintenance costs increased to £18k and utilities costs to £58.6k including the antenna electricity for which we are reimbursed by the operator.

For 2024 we have increased our pledge to the diocese Parish Support Fund to £169.0k, a percentage increase requested by the diocese. As a result of increased utilities costs our overall church operating expenses before adding depreciation costs will lead to a substantial deficit for the year of £37.0k. The cost of the Families and Community Coordinator and Assistant Youth Minister will be taken from our Legacy Fund. We are holding a planned giving campaign early in the year and aiming to increase our stewardship income from the present level by £5.0k plus associated Gift Aid tax refund of £1.0k, with the objective of reducing this deficit.

The Community Hall (Hall Management Fund)

During 2023 the operation of the hall cost £117.9k and made a contribution to the hall repair fund of £12.9k. In addition the hall management fund paid £18.4k for church fabric repairs resulting from the recent architect's quinquennial inspection. The hall lettings income increased to £144.6k improved from 2022 (£129.4k). Total outgoings for the hall are expected to be £118k in our 2024 budget as a result of increased utility costs and necessary increased working hours by our office staff.

RESERVES POLICY

General Fund

Ideally, we would maintain reserves equal to six months' church operating expenses, i.e. £198.9.k (50% of our 2024 budget). At 31st December 2023, our unrestricted funds net current assets were £151.7k, which is sufficiently close to this target.

Designated Fund

Ideally, we would maintain reserves equal to six months' hall operating expenses, i.e. £65.7k (50% of our 2024 budget). At 31st December 2023, our designated funds net current assets were £187.0k, which more than meets our target.

Our reserve funds are invested in the CBF Church of England Deposit Fund and CBF Church of England Investment Fund.

In the unprecedented times caused by the Covid-19 pandemic the PCC believes it has adequate reserves and cash to enable it to continue to meet its liabilities as they fall due for the foreseeable future. The PCC will continue to monitor the situation and manage expenditure on an on-going basis.

Planned Giving

The continued thrust of Stewardship in the year was the Planned Giving campaign in Lent, run by Maralee Vezie. The campaign theme focused on generosity. The campaign proved adequate raising £8,000 from increased promises and one-off donations excluding Gift Aid. 47 responses were received, which is lower than in previous years, but was considered a satisfactory result, particularly considering the cost of living crisis and demands from other worthy causes.

The Stewardship Committee is very grateful to the congregation for their ongoing support but recognizes that the total sums raised reflect the continued generosity of a relatively small proportion of donors. In years to come thought may need to be given to how this reliance can be reduced.

ADMINISTRATIVE INFORMATION

St. Luke's Church Battersea is situated on the corner of Ramsden Road and Thurleigh Road in London SW12. It is part of the Diocese of Southwark within the Church of England. The correspondence address is:

St Luke's Church Battersea
The Parish Office
194 Ramsden Road
London SW12 8RQ

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in this report as the PCC. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). St Luke's was registered with the Charity Commission in September 2009, Registration No.1131772. The members of the PCC are the trustees of the charity.

Vicar: Reverend Lorenzo Fernandez-Smal
Associate Priest: Reverend Yunghee Koh (*until 31 December 2023*)

Premises Manager: Sophie Seddon
Communities and Families Coordinator: Alison Roche
Parish Office Manager: Claire Healey, and Josie Ogg (*until February 2023*)

Church Wardens: David Seward, Maralee Vezie

Deputy Church Wardens: Roger Black, Andrew Cheeseman, Sophie Seddon, James Vyvyan

Deanery Synod Representatives: Jenny Bailey, Claire Goddard, James Vyvyan, Richard Stonor (*from May 2023*)

Parochial Church Council: Vicar, Associate Priest, Church Wardens, Deanery Synod Representatives, Craig Abouchar, Tony Blurton, Sarah Bourke, Rosie Collins, John Lucia, Cynthia Poole, David Powell, Katie Ryan, Tim Sanders-Hewett, Sarah Walker, Timothy Walker
Gery Roberts, Libby Spurrier

PCC Treasurer: John Lucia
PCC Secretary: Gilly Black
Electoral Roll Officer: Alison Roche (*until May 2023*), Claire Healey (*from May 2023*)

Director of Music: Derek Carden
Apprentice Organist: Patricia Cheung

Safeguarding Officers: Christine Lucia and Alison Roche
Health and Safety Officer: Catriona Patel

Auditor: Wellden Turnbulll Limited
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Parochial Church Council (PCC), who act as the trustees, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

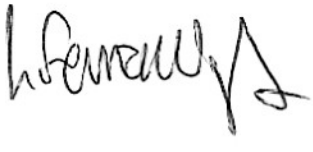
a) select suitable accounting policies and apply them consistently;
b) observe the methods and principles in the Charities SORP;
c) make judgments and estimates that are reasonable and prudent;
d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The PCC are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In so far as the PCC are aware:
➢ there is no relevant audit information of which the church's auditor is unaware; and
➢ the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on 18th April 2024 and signed on their behalf by Revd Lorenzo Fernandez-Smal (PCC Chairman).



PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2023

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the annual report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2023 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charity's, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of those charged with governance as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal activity of the charity;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 18 April 2024.

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2023

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2023 £	*2022 £*
INCOME FROM:						
Donations and legacies	2(a)	253,676	-	1,915	**255,591**	*274,440*
Activities for generating funds	2(b)	102,276	144,637	74,637	**321,550**	*271,669*
Investments	2(c)	31,073	2,092	1,829	**34,994**	*14,129*
Church activities	2(d)	3,182	-	-	**3,182**	*1,396*
Total		390,207	146,729	78,381	**615,317**	*561,634*
EXPENDITURE ON:						
Raising funds	3(a)	12,480	-	61,985	**74,465**	*75,587*
Church activities	3(b)	448,614	136,275	27,669	**612,558**	*489,831*
Total		461,094	136,275	89,654	**687,023**	*565,418*
Net income (expenditure)		(70,887)	10,454	(11,273)	**(71,706)**	*(3,784)*
Transfers between funds	9	24,500	(12,937)	12,937	**24,500**	*24,500*
Net income before investment gains		(46,387)	(2,483)	1,664	**(47,206)**	20,716
Gains/losses on investment funds	7(a)	-	11,684	31,363	**43,047**	(7,425)
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	-	-	-	**-**	*(60,000)*
Net gains/(losses) on investment properties	6(b)	(86,250)	-	-	**(86,250)**	*3,750*
Net movement in funds		(132,637)	9,201	33,027	**(90,409)**	(42,959)
Reconciliation of funds						
Total funds brought forward	9	3,043,992	177,766	384,841	**3,606,599**	*3,649,558*
Total funds carried forward	9	2,911,355	186,967	417,868	**3,516,190**	*3,606,599*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2023

	Note	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
		£	£	£	£	*£*
FIXED ASSETS						
Tangible assets	6(a)	1,159,645	-	-	1,159,645	*1,200,477*
Residential property for church use	6(b)	1,225,000	-	-	1,225,000	*1,225,000*
Investment properties	6(b)	375,000	-	-	375,000	*461,250*
Total fixed assets		2,759,645	-	-	2,759,645	*2,886,727*
CURRENT ASSETS						
Investment funds	7(a)	-	104,669	280,953	385,622	*342,575*
Debtors	7(b)	16,757	15,072	-	31,829	*29,551*
Cash at bank and in hand		158,939	71,513	136,920	367,372	*361,519*
Total current assets		175,696	191,254	417,873	784,823	733,645
LIABILITIES						
Creditors: amounts falling due within one year	8	23,986	4,287	5	28,278	*13,773*
Net current assets		151,710	186,967	417,868	756,545	*719,872*
TOTAL NET ASSETS		2,911,355	186,967	417,868	3,516,190	*3,606,599*
PARISH FUNDS						
Unrestricted funds	9	2,911,355	-	-	2,911,355	*3,043,992*
Designated funds	9	-	186,967	-	186,967	*177,766*
Restricted funds	9	-	-	417,868	417,868	*384,841*
Total funds		2,911,355	186,967	417,868	3,516,190	*3,606,599*

Approved by the Parochial Church Council on 18th April 2024 and signed on its behalf by:

Revd Lorenzo Fernandez-Smal, Vicar

John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2023

	2023		2022	
	£	£	£	£
Net cash from/(used in) operating activities*		13,906		39,974
Cash flows from investing activities				
Purchase of tangible fixed assets	-		-	
Interest and rent from investments	34,994		14,129	
Net cash provided by/(used in) investing activities		34,994		14,129
Change in cash and cash equivalents in the reporting period		48,900		54,103
Cash and cash equivalents at 1 January		704,094		649,991
Cash and cash equivalents at 31 December		752,994		704,094
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(47,206)		20,716
Adjustments for:				
Depreciation charges		40,832		40,832
Interest and rent from investments		(34,994)		(14,129)
Decrease/(increase) in debtors		(2,278)		(1,675)
(Decrease)/increase in creditors		14,505		1,655
Gains/(losses) on investment funds		43,047		(7,425)
***Net cash from/(used in) operating activities**		13,906		39,974
Analysis of cash and cash equivalents				
Bank current accounts		67,285		159,051
Short term deposits		300,087		202,468
Investment funds		385,622		342,575
		752,994		704,094

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2023

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b).”

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2023

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2023 £	*2022 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	467	-	-	467	*853*
	Battersea Synod grant	-	-	-	-	*230*
	Diocese energy grant	-	-	-	-	*1,400*
	sub-total	467	-	-	467	2,483
	Voluntary giving					
	Stewardship & envelopes	187,347	-	-	187,347	*191,475*
	Loose cash incl by card reader	13,357	-	-	13,357	*11,569*
	Tax refund	40,519	-	-	40,519	*42,547*
	Donations, appeals etc.	11,986	-	1,915	13,901	*26,366*
	sub-total	253,209	-	1,915	255,124	*271,957*
	Total	253,676	-	1,915	255,591	*274,440*
2(b)	**Activities for generating funds**					
	Christmas market	13,446	-	-	13,446	*14,345*
	Church & hall lettings	30,186	144,637	-	174,823	*166,953*
	Antenna rent & cost of electricity	55,193	-	-	55,193	*29,686*
	Church musical & social activities	3,451	-	74,637	78,088	*60,685*
	Total	102,276	144,637	74,637	321,550	*271,669*
2(c)	**Investments**					
	Property lettings	11,021	-	-	11,021	*10,064*
	Licence fees for extension works	11,354	-	-	11,354	-
	Interest	8,698	2,092	1,829	12,619	*4,065*
	Total	31,073	2,092	1,829	34,994	*14,129*
2(d)	**Church activities**					
	Parochial fees received	3,182	-	-	3,182	*1,396*
	Total	3,182	-	-	3,182	*1,396*
	Total	**390,207**	**146,729**	**78,381**	**615,317**	*561,634*

3. EXPENDITURE ON:

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
		£	£	£	£	£
3(a)	**Raising funds**					
	Publicity and printing	4,946	-	-	4,946	*3,290*
	Christmas market	3,912	-	-	3,912	*3,569*
	Church musical & social activities	3,622	-	61,985	65,607	*68,728*
	Total	12,480	-	61,985	74,465	*75,587*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	1,915	1,915	*1,308*
	sub-total	18,800	-	1,915	20,715	*20,108*
	Ministry					
	Diocesan parish support fund	163,000	-	-	163,000	*163,000*
	Clergy costs	40,575	-	-	40,575	*39,942*
	Other staff costs	5,183	-	21,874	27,057	*2,440*
	Parochial fees paid to diocese	940	-	-	940	*218*
	Nightshelter costs	2,156	-	-	2,156	*1,008*
	Other expenses incl petty cash	3,209	-	-	3,209	*3,525*
	sub-total	215,063	-	21,874	236,937	*210,133*
	Church expenses					
	Repairs & maintenance	17,951	18,385	-	36,336	*9,363*
	Insurance	8,250	-	-	8,250	*7,690*
	Utilities incl antenna electricity	58,607	-	-	58,607	*20,643*
	Cost of services incl music	19,920	-	-	19,920	*16,131*
	Sound system depreciation	12,500	-	-	12,500	*12,500*
	sub-total	117,228	18,385	-	135,613	*66,327*
	Community Hall expenses					
	Hall improvements & major works	-	921	3,880	4,801	-
	Insurance	-	1,899	-	1,899	*1,799*
	Running expenses incl utilities	-	86,848	-	86,848	*66,326*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	89,668	3,880	121,880	*96,457*
	Property expenses					
	Repairs & maintenance	2,372	-	-	2,372	*8,944*
	Utilities & council tax	2,665	-	-	2,665	*2,476*
	Insurance	2,040	-	-	2,040	*2,420*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*24,500*
	sub-total	31,577	-	-	31,577	*38,340*
	Administration					
	Salaries & wages (office)	18,225	25,463	-	43,688	*43,420*
	Telephone, postage, website etc.	5,805	2,661	-	8,466	*4,866*
	Professional fees	12,708	-	-	12,708	*9,251*
	Bank charges	876	98	-	974	*929*
	sub-total	37,614	28,222	-	65,836	*58,466*
	Total	448,614	136,275	27,669	612,558	*489,831*
	Total	**461,094**	**136,275**	**89,654**	**687,023**	*565,418*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £12,000 (£8,400 in 2022) and payroll services of £708 (£851 in 2022).

5(a) STAFF COSTS

	2023	*2022*
	£	*£*
Gross wages, salaries and benefits in kind	69,088	45,860
Employer's pension contributions	2,753	1,925
Employer's National Insurance costs	-	-
Total staff costs	71,841	*47,785*
Average number of employees in the year (including part time staff)	5	*3*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2023: £2,753, 2022: £1,925).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2022: None).

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2022: None).

During the year the church reimbursed expenses of £828 (2022: £2,305) for 5 PCC members (2022: 7) including event costs.

For our Associate Priest £39,427 (2022: £38,750) was paid to the diocese for her stipend, pension and other costs. In addition £1,148 (2022: £1,521) was paid to her for reclaimable expenses.

The house in Canford Road was being lived in by our Associate Priest and family rent free for the year. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2022: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward Land around Community Hall	275,000	-	275,000
	Balance brought forward Community Hall	1,416,620	7,906	1,424,526
	Balance brought forward Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	503,644	45,405	549,049
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	531,976	57,905	589,881
	Net book value			
	At 1 January 2023	1,187,976	12,501	1,200,477
	At 31 December 2023	1,159,644	1	1,159,645

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	2023 £	*2022 £*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,225,000	1,285,000
	Revaluation	-	(60,000)
	Balance carried forward	1,225,000	1,225,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*24,500*
	Elimination on revaluation	(24,500)	*(24,500)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2023	1,225,000	*1,285,000*
	At 31 December 2023	1,225,000	*1,225,000*
Investment properties			
5a Wroughton Road - tenanted flat		375,000	*461,250*
	Total	375,000	*461,250*
Reconciliation to brought forward:			
	Balance brought forward	461,250	*457,500*
	Net gain/(loss) from fair value adjustments	(86,250)	*3,750*
	Additions / disposals	-	-
		375,000	*461,250*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations were based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuation for 30 Canford Road at January 2023 still represents the fair value at 31 December 2023 in all material respects.

However research in March 2024 indicates that the fair value for 5a Wroughton Road should be reduced.The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £375,000.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £13k (2022: £13k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	*350,000*
Revaluation loss in 2022	-	(2,015)	(5,410)	(7,425)	*(7,425)*
Revaluation gain in 2023	-	11,684	31,363	43,047	
Market value at 31 December 2023	-	104,669	280,953	385,622	*342,575*

No new investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2023 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		7,497	-	-	7,497	*8,341*
Other debtors		9,260	15,072	-	24,332	*21,210*
	Total	16,757	15,072	-	31,829	*29,551*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		12,000	-	-	12,000	*8,400*
Other creditors		11,986	4,287	5	16,278	*5,373*
	Total	23,986	4,287	5	28,278	*13,773*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		148,140	-	(21,874)		13,529	139,795
Special Collections Fund		-	1,915	(1,915)	-	-	-
Hall Repair Fund		176,344	1,829	(3,880)	12,937	17,834	205,064
Music Society Fund		60,357	74,637	(61,985)	-	-	73,009
	sub-total	384,841	78,381	(89,654)	12,937	31,363	417,868
Designated Funds							
Hall Management Fund		177,766	146,729	(136,275)	(12,937)	11,684	186,967
	sub-total	177,766	146,729	(136,275)	(12,937)	11,684	186,967
General Funds							
General fund		1,791,382	390,207	(461,094)	24,500	-	1,744,995
Fair value reserve		411,250	-	-	-	(86,250)	325,000
Revaluation reserve		841,360	24,500	-	(24,500)	-	841,360
	sub-total	3,043,992	414,707	(461,094)	-	(86,250)	2,911,355
Totals		3,606,599	639,817	(687,023)	-	(43,203)	3,516,190

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value loss recognised in the current year was £86,250 (2022: gain £3,750). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation loss recognised in the current year of £NIL is offset by a reserves transfer for £24,500 (2022: £24,500) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2023 (2022: £18,800).

A total of £12,300 (2022: £13,000) was given to 14 (2022: 16) charities operating in the UK, with a maximum of £1,000 each (2022: £1,250).

A total of £6.500 (2022: £5,800) was given to 9 UK charities which operate overseas (2022: 8), with a maximum of £1,000 each (2022: £1,000).

Special collections are also made with the proceeds being passed on to charities. A total of £1,915 (2022: £1,308) was donated to 4 charities in this way.

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2023

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the annual report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2023 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charity's, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of those charged with governance as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal activity of the charity;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 18 April 2024.

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2023

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2023 £	*2022 £*
INCOME FROM:						
Donations and legacies	2(a)	253,676	-	1,915	**255,591**	*274,440*
Activities for generating funds	2(b)	102,276	144,637	74,637	**321,550**	*271,669*
Investments	2(c)	31,073	2,092	1,829	**34,994**	*14,129*
Church activities	2(d)	3,182	-	-	**3,182**	*1,396*
Total		390,207	146,729	78,381	**615,317**	*561,634*
EXPENDITURE ON:						
Raising funds	3(a)	12,480	-	61,985	**74,465**	*75,587*
Church activities	3(b)	448,614	136,275	27,669	**612,558**	*489,831*
Total		461,094	136,275	89,654	**687,023**	*565,418*
Net income (expenditure)		(70,887)	10,454	(11,273)	**(71,706)**	*(3,784)*
Transfers between funds	9	24,500	(12,937)	12,937	**24,500**	*24,500*
Net income before investment gains		(46,387)	(2,483)	1,664	**(47,206)**	20,716
Gains/losses on investment funds	7(a)	-	11,684	31,363	**43,047**	(7,425)
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	-	-	-	**-**	*(60,000)*
Net gains/(losses) on investment properties	6(b)	(86,250)	-	-	**(86,250)**	*3,750*
Net movement in funds		(132,637)	9,201	33,027	**(90,409)**	(42,959)
Reconciliation of funds						
Total funds brought forward	9	3,043,992	177,766	384,841	**3,606,599**	*3,649,558*
Total funds carried forward	9	2,911,355	186,967	417,868	**3,516,190**	*3,606,599*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2023

	Note	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
		£	£	£	£	*£*
FIXED ASSETS						
Tangible assets	6(a)	1,159,645	-	-	1,159,645	*1,200,477*
Residential property for church use	6(b)	1,225,000	-	-	1,225,000	*1,225,000*
Investment properties	6(b)	375,000	-	-	375,000	*461,250*
Total fixed assets		2,759,645	-	-	2,759,645	*2,886,727*
CURRENT ASSETS						
Investment funds	7(a)	-	104,669	280,953	385,622	*342,575*
Debtors	7(b)	16,757	15,072	-	31,829	*29,551*
Cash at bank and in hand		158,939	71,513	136,920	367,372	*361,519*
Total current assets		175,696	191,254	417,873	784,823	733,645
LIABILITIES						
Creditors: amounts falling due within one year	8	23,986	4,287	5	28,278	*13,773*
Net current assets		151,710	186,967	417,868	756,545	*719,872*
TOTAL NET ASSETS		2,911,355	186,967	417,868	3,516,190	*3,606,599*
PARISH FUNDS						
Unrestricted funds	9	2,911,355	-	-	2,911,355	*3,043,992*
Designated funds	9	-	186,967	-	186,967	*177,766*
Restricted funds	9	-	-	417,868	417,868	*384,841*
Total funds		2,911,355	186,967	417,868	3,516,190	*3,606,599*

Approved by the Parochial Church Council on 18th April 2024 and signed on its behalf by:

Revd Lorenzo Fernandez-Smal, Vicar

John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2023

	2023		2022	
	£	£	£	£
Net cash from/(used in) operating activities*		13,906		39,974
Cash flows from investing activities				
Purchase of tangible fixed assets	-		-	
Interest and rent from investments	34,994		14,129	
Net cash provided by/(used in) investing activities		34,994		14,129
Change in cash and cash equivalents in the reporting period		48,900		54,103
Cash and cash equivalents at 1 January		704,094		649,991
Cash and cash equivalents at 31 December		752,994		704,094
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(47,206)		20,716
Adjustments for:				
Depreciation charges		40,832		40,832
Interest and rent from investments		(34,994)		(14,129)
Decrease/(increase) in debtors		(2,278)		(1,675)
(Decrease)/increase in creditors		14,505		1,655
Gains/(losses) on investment funds		43,047		(7,425)
***Net cash from/(used in) operating activities**		13,906		39,974
Analysis of cash and cash equivalents				
Bank current accounts		67,285		159,051
Short term deposits		300,087		202,468
Investment funds		385,622		342,575
		752,994		704,094

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2023

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b).”

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2023

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2023 £	*2022 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	467	-	-	467	*853*
	Battersea Synod grant	-	-	-	-	*230*
	Diocese energy grant	-	-	-	-	*1,400*
	sub-total	467	-	-	467	2,483
	Voluntary giving					
	Stewardship & envelopes	187,347	-	-	187,347	*191,475*
	Loose cash incl by card reader	13,357	-	-	13,357	*11,569*
	Tax refund	40,519	-	-	40,519	*42,547*
	Donations, appeals etc.	11,986	-	1,915	13,901	*26,366*
	sub-total	253,209	-	1,915	255,124	*271,957*
	Total	253,676	-	1,915	255,591	*274,440*
2(b)	**Activities for generating funds**					
	Christmas market	13,446	-	-	13,446	*14,345*
	Church & hall lettings	30,186	144,637	-	174,823	*166,953*
	Antenna rent & cost of electricity	55,193	-	-	55,193	*29,686*
	Church musical & social activities	3,451	-	74,637	78,088	*60,685*
	Total	102,276	144,637	74,637	321,550	*271,669*
2(c)	**Investments**					
	Property lettings	11,021	-	-	11,021	*10,064*
	Licence fees for extension works	11,354	-	-	11,354	-
	Interest	8,698	2,092	1,829	12,619	*4,065*
	Total	31,073	2,092	1,829	34,994	*14,129*
2(d)	**Church activities**					
	Parochial fees received	3,182	-	-	3,182	*1,396*
	Total	3,182	-	-	3,182	*1,396*
	Total	**390,207**	**146,729**	**78,381**	**615,317**	*561,634*

3. EXPENDITURE ON:

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
		£	£	£	£	£
3(a)	**Raising funds**					
	Publicity and printing	4,946	-	-	4,946	*3,290*
	Christmas market	3,912	-	-	3,912	*3,569*
	Church musical & social activities	3,622	-	61,985	65,607	*68,728*
	Total	12,480	-	61,985	74,465	*75,587*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	1,915	1,915	*1,308*
	sub-total	18,800	-	1,915	20,715	*20,108*
	Ministry					
	Diocesan parish support fund	163,000	-	-	163,000	*163,000*
	Clergy costs	40,575	-	-	40,575	*39,942*
	Other staff costs	5,183	-	21,874	27,057	*2,440*
	Parochial fees paid to diocese	940	-	-	940	*218*
	Nightshelter costs	2,156	-	-	2,156	*1,008*
	Other expenses incl petty cash	3,209	-	-	3,209	*3,525*
	sub-total	215,063	-	21,874	236,937	*210,133*
	Church expenses					
	Repairs & maintenance	17,951	18,385	-	36,336	*9,363*
	Insurance	8,250	-	-	8,250	*7,690*
	Utilities incl antenna electricity	58,607	-	-	58,607	*20,643*
	Cost of services incl music	19,920	-	-	19,920	*16,131*
	Sound system depreciation	12,500	-	-	12,500	*12,500*
	sub-total	117,228	18,385	-	135,613	*66,327*
	Community Hall expenses					
	Hall improvements & major works	-	921	3,880	4,801	-
	Insurance	-	1,899	-	1,899	*1,799*
	Running expenses incl utilities	-	86,848	-	86,848	*66,326*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	89,668	3,880	121,880	*96,457*
	Property expenses					
	Repairs & maintenance	2,372	-	-	2,372	*8,944*
	Utilities & council tax	2,665	-	-	2,665	*2,476*
	Insurance	2,040	-	-	2,040	*2,420*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*24,500*
	sub-total	31,577	-	-	31,577	*38,340*
	Administration					
	Salaries & wages (office)	18,225	25,463	-	43,688	*43,420*
	Telephone, postage, website etc.	5,805	2,661	-	8,466	*4,866*
	Professional fees	12,708	-	-	12,708	*9,251*
	Bank charges	876	98	-	974	*929*
	sub-total	37,614	28,222	-	65,836	*58,466*
	Total	448,614	136,275	27,669	612,558	*489,831*
	Total	**461,094**	**136,275**	**89,654**	**687,023**	*565,418*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £12,000 (£8,400 in 2022) and payroll services of £708 (£851 in 2022).

5(a) STAFF COSTS

	2023	*2022*
	£	*£*
Gross wages, salaries and benefits in kind	69,088	45,860
Employer's pension contributions	2,753	1,925
Employer's National Insurance costs	-	-
Total staff costs	71,841	*47,785*
Average number of employees in the year (including part time staff)	5	*3*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2023: £2,753, 2022: £1,925).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2022: None).

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2022: None).

During the year the church reimbursed expenses of £828 (2022: £2,305) for 5 PCC members (2022: 7) including event costs.

For our Associate Priest £39,427 (2022: £38,750) was paid to the diocese for her stipend, pension and other costs. In addition £1,148 (2022: £1,521) was paid to her for reclaimable expenses.

The house in Canford Road was being lived in by our Associate Priest and family rent free for the year. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2022: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward Land around Community Hall	275,000	-	275,000
	Balance brought forward Community Hall	1,416,620	7,906	1,424,526
	Balance brought forward Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	503,644	45,405	549,049
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	531,976	57,905	589,881
	Net book value			
	At 1 January 2023	1,187,976	12,501	1,200,477
	At 31 December 2023	1,159,644	1	1,159,645

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	2023 £	*2022 £*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,225,000	1,285,000
	Revaluation	-	(60,000)
	Balance carried forward	1,225,000	1,225,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*24,500*
	Elimination on revaluation	(24,500)	*(24,500)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2023	1,225,000	*1,285,000*
	At 31 December 2023	1,225,000	*1,225,000*
Investment properties			
5a Wroughton Road - tenanted flat		375,000	*461,250*
	Total	375,000	*461,250*
Reconciliation to brought forward:			
	Balance brought forward	461,250	*457,500*
	Net gain/(loss) from fair value adjustments	(86,250)	*3,750*
	Additions / disposals	-	-
		375,000	*461,250*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations were based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuation for 30 Canford Road at January 2023 still represents the fair value at 31 December 2023 in all material respects.

However research in March 2024 indicates that the fair value for 5a Wroughton Road should be reduced.The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £375,000.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £13k (2022: £13k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2023	*2022*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	*350,000*
Revaluation loss in 2022	-	(2,015)	(5,410)	(7,425)	*(7,425)*
Revaluation gain in 2023	-	11,684	31,363	43,047	
Market value at 31 December 2023	-	104,669	280,953	385,622	*342,575*

No new investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2023 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		7,497	-	-	7,497	*8,341*
Other debtors		9,260	15,072	-	24,332	*21,210*
	Total	16,757	15,072	-	31,829	*29,551*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		12,000	-	-	12,000	*8,400*
Other creditors		11,986	4,287	5	16,278	*5,373*
	Total	23,986	4,287	5	28,278	*13,773*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		148,140	-	(21,874)		13,529	139,795
Special Collections Fund		-	1,915	(1,915)	-	-	-
Hall Repair Fund		176,344	1,829	(3,880)	12,937	17,834	205,064
Music Society Fund		60,357	74,637	(61,985)	-	-	73,009
	sub-total	384,841	78,381	(89,654)	12,937	31,363	417,868
Designated Funds							
Hall Management Fund		177,766	146,729	(136,275)	(12,937)	11,684	186,967
	sub-total	177,766	146,729	(136,275)	(12,937)	11,684	186,967
General Funds							
General fund		1,791,382	390,207	(461,094)	24,500	-	1,744,995
Fair value reserve		411,250	-	-	-	(86,250)	325,000
Revaluation reserve		841,360	24,500	-	(24,500)	-	841,360
	sub-total	3,043,992	414,707	(461,094)	-	(86,250)	2,911,355
Totals		3,606,599	639,817	(687,023)	-	(43,203)	3,516,190

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value loss recognised in the current year was £86,250 (2022: gain £3,750). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation loss recognised in the current year of £NIL is offset by a reserves transfer for £24,500 (2022: £24,500) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2023 (2022: £18,800).

A total of £12,300 (2022: £13,000) was given to 14 (2022: 16) charities operating in the UK, with a maximum of £1,000 each (2022: £1,250).

A total of £6.500 (2022: £5,800) was given to 9 UK charities which operate overseas (2022: 8), with a maximum of £1,000 each (2022: £1,000).

Special collections are also made with the proceeds being passed on to charities. A total of £1,915 (2022: £1,308) was donated to 4 charities in this way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales - Charity number 1131772

Accounts

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA

Registered Charity No. 1131772

ANNUAL REPORT

Year Ending 31 DECEMBER 2022

Parochial Church Council of St Luke, Battersea
Annual Report 2022

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

AIM AND PURPOSES

The Parochial Church Council of St Luke, Battersea (PCC) has the responsibility of cooperating with the Vicar to promote, in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church, the adjacent Community Hall and two residential properties.

OBJECTIVES AND ACTIVITIES

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within the parish. Our services and worship put faith into practice through prayer, scripture, preaching, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus Christ.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St Luke, the Community Hall and the two residential properties.

ACHIEVEMENTS AND PERFORMANCE

Worship and Ministry

The Vicar's Report

Looking back on the year that is past, it would be easy to assume that it was uneventful, but this would be a little rash. Post-pandemic, a full year of all of St Luke's services and ministries made us realise how much we do.

The return of the common cup at communion was uneventful. Again, one of the welcome outcomes of the pandemic remains our new broadcasting and sound system, still allowing homebound (or far away!) people to join us for worship on any Sunday morning.

Morning meditations have taken place three times a week and Yunghee and her team continued to meet every weekday on Zoom for Evening Prayer.

There have been many events throughout the year. Following on from the success of the Lent Course in 2021, 'Inspired to Follow', under the overarching title, 'Art and the Bible Story', we had another successful Lent Course following 'A River through the Desert' provided by St George's College in Jerusalem, taking a virtual pilgrim journey to the Holy Land. I greatly enjoyed leading the study of the Gospel according to Matthew from the pandemic till September. Zoom is a fantastic tool and allowed us to study in detail. It has taken us about two years to read, mark and inwardly digest the whole text.

The Passion Play was also very successful. It was a wonderful occasion, bringing together people from the wider community, as well as from within our congregation. It took a great collaboration of creative talents to bring the performance together. On 5th June, we celebrated together for the Queen's Platinum Jubilee at the 10.30am service followed by a Hog Roast for the Parish. This of course was sadly followed later on in the year with a Requiem for our beloved late Majesty the Queen Elizabeth. This year's Harvest Festival was marked with a Barn Dance and 'Thanksgiving Parish Lunch' taking an opportunity to thank everyone who has contributed and continues to contribute and support St Luke's and to the community. We also continued our format of Café Church style services, repeating Café Carols for family and children during the Christmas season which was well attended. We are planning to have more Cafe church services on other special occasions. We are also hoping to have Youth Group meetings in the New Year to meet the needs of a teenage group.

As occasional services quickly resumed, a lot of babies born during lockdown came to be baptised, with 46 Christenings celebrated in 2022. We had one wedding and no funerals.

As Broomwood schools came under new management, Lady Colquhoun's love of evensong was sadly side-lined. Both Northcote Lodge and Broomwood upper school decided to give up on offering evensong, much to the dismay of many parents and music teachers. Thomas' have decided not to resume evensong immediately.

On a more personal front, I would like to say that after two years that have been very demanding both workwise and emotionally, I became unwell at the end of 2022 and I have taken some time off to recuperate. Sadly, I was unable to celebrate Christmas with everyone. I hope to be back to work fully very soon. I would like to thank our Wardens, Ali Roche and the office, as well as all the visiting clergy for stepping into the breach at such a busy time, together with all those who volunteer their time to ensure St Luke's runs so smoothly.

Rev Lorenzo Fernandez-Smal

Music at St Luke's

A return (after the pandemic) to full choral singing has been a great relief at St. Luke's. The Parish Choir continued to sing faithfully at every main service of the church's year, and at many other occasions, at the great festivals, weddings, funerals, memorials etc. Membership remains completely amateur, and accessible, in that as long as a passable standard of sight singing is available you may come and join us at a moment's notice. On this basis, new members are always welcome.

On big occasions we have been very grateful for extra singers coming particularly from The Festival Chorus, and from Quorum, and past members of the choir.

Since the beginning of September, we have welcomed Patricia Cheung into our midst. Patricia is an undergraduate from Hong Kong, currently studying at university in London, and is our Apprentice Organist. As a member of the music staff, she has so far taken playing responsibility for the 9 am Family Service, as well as occasionally assisting with the 10.30 Eucharist, and also teaching songs

at Junior Church, which we hope will eventually result in a resurgence of Junior Choir, who, sadly, are not flourishing at present.

Families, Children and Youth

We were delighted to restart Junior Church in March 2022 during the 10.30am service. There have been a few regular families attending and the children are enjoying being together out of the service. We hope that over the next year the number of children will begin to grow. We are grateful to the parents who volunteer to help on a Sunday morning with this very important part of our mission to children and young people

We held our Christingle Service during the 9am Family Service at the end of January and on Mothering Sunday celebrated with bunches of daffodils being given out to the congregation by the children in church.

At Halloween the children came together for a party in the Community Hall with Lorenzo at the helm of the activities. The party was held concurrently with a sung Requiem in church for the parents. All the activities, stories and songs centred the Christian heritage of this feast: All Hallows Eve, the day of the dead. It was so well attended that we sorely lacked volunteers to invigilate some of the tables. Much cleaning was required; fortunately, many of the parents stayed behind to help.

At Christmas, the children and families joined with the older members of the congregation for Café Carols, a service of readings and lots of music. This was followed by mulled wine, coffee and mince pies. A great time was had by all.

Because Lorenzo was not with us at Christmas, Ali Roche and Derek Carden organized the Nativity Service from the perspective of Angel Gabriel. It was really wonderful and amusing as the children took part and sang together. It was enjoyed by them all. A packed church with many families from the Parish attending the service. Back in full for the first time since the pandemic, it was such a great and successful event.

Play and Pray on a Wednesday & Playgroup on a Thursday

Starting our Wednesday morning community sessions, 'Play & Pray' continued to go from strength to strength beginning with free play and everyone coming together for a story, singing and prayers at the end for about 15 minutes. There are regularly over 20 parents and carers with their young children.

The Thursday afternoon playgroup is a Drop in playgroup that has many regular parents and carers who come to both our toddler groups. Those that only come on a Thursday are so grateful for the support they get from a group running in the afternoon. The children are only with us for a short time before they head off to nursery school or full-time care but younger siblings soon follow.

Pastoral Care

St Luke's Pastoral Leadership Team (PLT) co-ordinates care and prayer for those of all ages in need in the local community and takes a role in various gatherings. Simple Lent Lunches were held each Wednesday during Lent and served as a fundraiser for the Bishop's Lent Appeal. Special mention should be made of the Jubilee hog roast celebration in June, and Christmas Café Carols, an all-age event, which was back in person for the second year running.

Organising baptisms, and recruiting and training baptismal assistants, is an important part of the PLT's remit, especially as the church continues to work through the backlog generated by the restrictions of the pandemic. The Prayer Chain, updated monthly and circulated among a faithful team who pray regularly for those in need, is another important ministry managed by the PLT.

The PLT keeps abreast of what is happening in the various ministries at St Luke's while not being involved directly.

Social Events

The highlight of St Luke's Social events in 2022 were the Platinum Jubilee Hog Roast held in June and the Korean Barbecue and Harvest Barn Dance held in September. The Parish community celebrated in style at both events for these two occasions, with young and old from across our congregations and groups coming together.

In September we also came together to mourn the passing of Her Majesty with a streaming of the funeral in church for those who wanted to join together to watch the ceremony.

There were also wonderful Courtyard Cafés in May for Christian Aid and September for Macmillan Cancer. A lovely social way to get together and raise funds for two great causes.

Passion Play

Taking Yunghee's original idea of putting on a play for the wider community, the Passion Play was performed on Saturday 9th April 2022 in the church and welcomed an audience of over 100 people. It was written by Libby Spurrier and Anthony Ogg, and directed by Libby and Garrick Hagon, who brought the magic of their skills to the project. We were fortunate to have Justin Roxburgh in the role of Jesus. The script sought to integrate elements of the medieval mystery plays, and the music used came from the music arranged by John Tams for the Bill Bryden production of the cycle at the National Theatre. The cast and crew numbered 40 people with an age range from 4 through to ... shall we say over 70s. As hoped, it was a real community project, involving people from the congregations of all our regular services as well as those who do not attend St Luke's services. Alongside our own young people, we welcomed to the cast children from the LET'S ACT school which uses the church hall to rehearse. Thanks go to Nicola Robson who was responsible for looking after the children on the day. The cast worked tirelessly, Laurie Lowrie did marvels with costumes and the piece de resistance – the donkey! Richard Balcer was brilliant with the sound system, which was provided by R G Jones, Jem Stagg sorted out the lighting, everyone helped with props and placards and stage managing, tea and coffee and doughnuts were provided at rehearsals by the tea team and Yunghee, and a great group of singers turned up to help with the music.

Christmas Market 2022

For the second year in a row, the Christmas Market was back in person. While it is one of the major fundraising events of the year, it is also a wonderful social event for the Parish, bringing everybody together to enjoy the many stalls and the excellent refreshments. Yunghee once again donned her chef's cap and apron to huge success, the mulled wine and mince pies sold out, as did the cakes. Special thanks must go to Catherine Deptford and her team of Karen Cole and Carolyn Fairnie who organised and ran the "Swish" stall with such success. Huge congratulations are due to the organisers Maralee Vezie and Catherine Deptford who brought together an excellent quality of both inside stalls, including all the old favourites, in addition to the new "Swish" stall, and outside vendors.

Another great day in St Luke's year which generated £10,000 profit for St Luke's and its ministry.

In the Community

Wednesday mornings, with Pray and Play, a coffee morning, and morning Eucharist, offer opportunities for different age groups to meet. In the autumn, it was extended into a more general

Living Room 'warm space' initiative to run through till March 2023. It has proved an increasingly popular initiative, strengthening our direct involvement and offering to our local community.

Glass Door

We are delighted to have been able to restart the full Night Shelter support with Glass Door on Sunday evenings this year. The 2022-23 season started a little later in December and the number of guests for the Wandsworth circuit has been around 22 per night. We are, as ever, indebted to our wonderful volunteers who are operating in four separate teams to set up the community hall, prepare a three-course meal, welcome guests, serve dinner and ensure everything is squared away early on Monday morning in time for the beginning of the week. Despite the challenges of Covid over the past couple of years, we are blessed to have over 40 people from St Luke's congregation and wider community regularly supporting Glass Door's crucial work.

Wandsworth Foodbank

St Luke's has continued to support the Wandsworth Foodbank with regular deliveries about every three weeks. With the cost-of-living crisis affecting many people across the Borough and following on from the pandemic, the needs of the Foodbank continue to increase. The generosity of St Luke's congregation as well as other users of the Community Hall is deeply appreciated.

It has been a difficult year for the Foodbank as they have had to find new premises for their storage and it is good that that has now been resolved. Deborah Drakesmith is one of the team leaders at the Foodbank and our deliveries are taken to the store by Suzy Lamont, Liz Butler and Antony Lewis-Crosby.

Use of the Community Hall

St Luke's Community Hall continues to host our regular customers including two nursery schools, the Uniformed Groups, two drama classes, three adult yoga and Pilates classes, indoor rugby for pre-school children, a choir and, once a month, the Wandsworth Carers Dementia Café. During the school holidays, it hosts holiday camps for children and exam revision classes.

There are up to three party bookings most weekends. Glassdoor has returned this year on Sunday evenings over the winter, accommodating up to 25 guests. They use both the Shepherd Hall and the Oak Room.
The Community Hall hosts a wide range of groups, ages and charities and all the rooms and spaces are used to near full capacity.

Charitable Grants

The Charitable Grants Committee distributed a total of £18,800 to local and international charities in 2022. We were able to give support to a total of 25 charities which included 18 local charities and 7 International Charities with grants ranging from £250 up to £1K.
These local charities included support for two local State schools, rehabilitation charities, a food bank, a mediation charity, and community projects especially for underprivileged young.
International charities include projects for orphans, inmates in prisons, and education.

Each committee member is responsible for and links with 2 to 3 charities. The member maintains contact to ensure our donations are used appropriately and that we receive regular updates from the benefitting charity. We make regular visits, where and when appropriate. Whilst we cannot visit the international charities, we remain in regular contact via the internet and emails.

An example of our contact, in this case with a local charity, was when two committee members attended Nehemiah's Graduation Day in their property in Tooting. Nehemiah is a rehabilitation

charity for ex-offenders who have alcohol or drug dependency. They spend up to two years with Nehemiah where they address their dependency, work on re-establishing contact with fractured family and friend relationships whilst working towards employment and learning to live in a community, cooking and maintaining a good living space during their rehab. It was a very moving ceremony where graduating residents gave their testimonies leaving us in no doubt our donation was well-used.

We are also delighted to offer one of our charities the opportunity to preach on a Sunday during Lent. This year, we welcomed George Carney of Carney's Community. As a result of his sermon, the charity received a donation of £10,000 via a member of the congregation. We hope to invite more of our charities to our services.

Christian Aid

Christian Aid Week was 15th to 21st May. After the last two years of curtailed activities, it was very nice to be back in Church and running fundraising events as usual, including the very popular Courtyard Café, plant sale, car washing and wine-tasting. We also held a very successful lunch, with a quiz to test attendees' general knowledge as well as some questions about St Luke's and Christian Aid. A good time was had by all!

A very big thank you to Gillian Robinson for leading the team and all those who arranged and held events. A huge amount of time and effort goes into these - you are all very much appreciated.

St Luke's raised £6071.25. Whilst some may be disappointed that we did not raise more or as much as we have in the past, the difference is mainly accounted for by street collections. Christian Aid are promoting online giving by their e-envelope. Whilst we may not raise as much locally, we must respect their guidelines. Times have changed and many people do not have cash and are not willing to open their door to strangers.

We should all be proud that as a community we come together once a year to raise money for such a good cause. Long may it continue.

St Luke's Music Society 2022

The Music Society was delighted that it was able to stage a full year of concerts for the first time since 2019 and it proved to be a very successful year with outstanding concerts and excellent audiences.

The season was enjoyed by close to 3000 people revelling in the quality of performers and the superb St Luke's acoustic. From the brass sound of the A4 brass quartet and the fun of the Budapest Cafe Orchestra to the intimacy of the violinist Jennifer Pike and cellist Steven Isserlis and the choral sound of the Tallis Scholars and the Vasari Singers, they all showed up the glorious sound of St Luke's and enjoyed the warm atmosphere of the Music Society concerts.

The Festival Chorus also gave two concerts in the Music Society season under their excellent new conductor Rosie Howarth – Haydn's Creation and Elgar's Dream of Gerontius.

Tribute must be paid to the organising team: Pippa McDonald, Liz Butler, Robin Cooke-Hurle, Timothy Walker, Liz Bracken, Jem Stagg, Derek Carden and Antony Lewis-Crosby, most of whom have been involved since we started in 2003. We are now in our 20th season.

Over the past year the Music Society has developed its relationship with Wandsworth Music, the Saturday morning music hub for young people. Several of the performers have given masterclasses prior to their concerts and students are invited to attend the concerts in the evening. We are

delighted to be supporting the work of Wandsworth Music in inspiring young people's interest in performing and enjoying music making.

The Music Society managed to cover its costs over the year and retains £60K in the church accounts which includes advance ticket sales for the early concerts of 2023.

OUR BUILDINGS

The Community Hall

The Shepherd Hall, Oak Room, Allison Room and the Eagle Room were decorated.

The drainage around the Garth was causing issues and this has hopefully been rectified by the removal of debris that has built up over the years. The gardens continue to be well maintained and are kept tidy.

The disabled lift adjacent to the Allison Room needs replacing and does not currently work. Its replacement is being looked into.

There was a leak into the Shepherd Hall as a result of cracked tiles and some damaged lead flashing which was repaired.

There has been no significant work undertaken in 2022 involving the Community Hall.

Church Fabric

Following the Quinquennial Inspection last year, the roofing work required has been undertaken and quotes have been obtained for the brickwork which has been highlighted in the report. A faculty application for this work was submitted to the Diocese.

The memorial garden has been landscaped and many positive comments have been received.

There has been no other significant work undertaken or required on the church over 2022.

Canford Road

This house is occupied by St Luke's Associate Priest, Yunghee Koh and family. The damage to the bathroom and kitchen caused by the blocked drain in December 2021 was repaired. Rotten garden decking was removed and rebuilt. There has been no significant capital outlay during the year.

Wroughton Road

The top, first floor flat remains occupied by the same rent-controlled long-term tenant. Negotiations are continuing with the ground floor leaseholder regarding an extension request. It is hoped that a decision will be reached in the New Year. There has been no significant capital outlay during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The method of appointment of Parochial Church Council (PCC) members is set out in the Church Representation Rules. At St. Luke's the membership of the PCC consists of the Vicar, the churchwardens and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services, as members of the congregation, are encouraged to register on the Electoral Roll and stand for election to the PCC.

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

The PCC met six times during the year, all in person. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. The committees are as follows:

Charitable Grants (formerly Mission & Outreach)
Christmas Market
Communications
Finance
Hall Management
Health and Safety
Pastoral Leadership
St Luke's Music Society
Stewardship
Welcomers

Each committee reports back to the PCC regularly highlighting items which require PCC discussion or decision.

In addition, the Standing Committee, made up of the Vicar, Churchwardens and Treasurer, has the power to transact the business of the PCC between its meetings subject to any directions given by the Council. This committee meets prior to each PCC meeting to consider outstanding issues and plan the PCC Agenda.

The Safeguarding Officers (Child Protection) are Christine Lucia and Alison Roche. They are responsible for ensuring that a Disclosure Barring Service search is conducted on all those who work with children and vulnerable adults in the church. They are also responsible for the safeguarding of vulnerable adults in the church.

Risk assessments received their regular annual review. The Premises Manager and Church Wardens have been designated as the responsible persons with regard to fire safety and the Premises Manager ensures that the fire extinguishers are maintained annually. Health and safety risk assessments and fire risk assessments are undertaken at regular intervals.

RISK ASSESSMENT

The PCC confirms that the major risks to which the Council has been exposed were identified by risk analysis exercises. The risks identified and steps taken to mitigate these risks are as follows:

- *Property fire or theft.* Insurance cover is maintained against both these risks. Fire inspections are carried out annually by a suitably qualified and experienced professional and fire extinguishers are tested and replaced as advised.

- *Liability of trustees.* Trustees' indemnity insurance cover is maintained.

- *Misappropriation of funds.* The budgeted expenditure for each year is approved by the full PCC. The amounts of cash held at any one time are not material to the Parish. Two signatories are required for all cheques and to authorise online payments. All matters involving significant unbudgeted expenditure are put to the full PCC.

- *Revenue falling below committed expenditure.* The Finance Committee operates a system of monitoring both income and expenditure throughout the year. Any anticipated deficit is addressed through a review of committed expenditure and sources of income including voluntary giving.

- *Allegations of inappropriate behaviour against persons acting on behalf of the parish.* The parish subscribes to the Diocesan scheme for screening all those involved in children's and youth work and work with vulnerable adults, including DBS checks. As is set out in 'A Safe Church', activities are structured in a way that minimises the potential for abuse or allegations of abuse to arise.

- *Covid-19.* We continue to follow both Government and Church of England guidance.

FINANCIAL REVIEW

Key financial outcomes for the church are considered to be:

Total income for the year: £561.6k (2021: £631.5k)

Surplus/(deficit) for the year, before investment gains/(losses): £20.7k (2021: £58.2k)

Net current unrestricted funds: £157.3k (2021: £124.4k)

During the year, the General Fund expenditure was £405.0k comprising £339.7k of church operating costs and £65.3k of depreciation of fixed assets. The income for the year was £372.5k giving a surplus compared to operating costs of £32.8k excluding depreciation, a considerably better outturn than 2021. Revaluation of our two residential properties resulted in a fair value loss of £56.3k which gave a net decrease in the General Fund of £64.2k.

The Hall Management Fund increased by £20.2k. The operation of the hall made a surplus of £34.0k excluding the investment fund loss of £2.0k and excluding the transfer of £11.8k to the Hall Repair Fund.

From the Legacies Fund £3.3k was expended on a passion play production in church.

During the later months of the year £350.0k of our reserve funds were invested in the CBF Church of England Investment Fund (Accumulation Shares) with a view to safeguarding against inflation over the next five years. Shares can be sold should the need arise in that period.

Church Income and Expenditure (General Fund)

During 2022 regular stewardship giving increased by £4.7k and income from envelopes and cash from collections at services, including by card reader, started to increase as congregations returned. Voluntary giving from these sources was £203.0k compared to £194.4k in 2021. Other one-off donations raised £25.1k including a generous £10.0k from a charitable trust and £42.5k was received in Gift Aid tax reclaims.

Lettings income for the church was up by £13.2k to £37.6k compared to 2021 (£24.4k). Property income from our Wroughton Road flat remained at £10.1k as 2021.

As always, the largest component of our expenditure was the Parish Support Fund at £163.0k, a reduction of £25.0k as agreed with the diocese. This is used by the Diocese to pay clergy salaries, housing and other expenses and for diocesan staff and activities and as a well-off congregation, we rightly continued to help poorer parishes.

Charitable giving was in two parts: our regular giving was £18.8k, the same as in 2021, plus the collections made from time to time for specific charities (£1.3k). Church running costs included the cost of our Associate Priest for the full year (£39.9k). Church building maintenance costs and other running costs were similar to 2021.

For 2023 we have maintained our pledge to the diocese Parish Support Fund at £163.0k and as a result of much increased utilities costs our overall church operating expenses before adding depreciation costs will lead to a substantial deficit for the year of £25.0k. The cost of the Families and Community Coordinator will be taken from our Legacy Fund. We are holding a planned giving campaign early in the year and aiming to increase our stewardship income from the present level by £5.0k plus associated Gift Aid tax refund of £1.0k, with the objective of reducing this deficit.

The Community Hall (Hall Management Fund)

During 2022 the operation of the hall cost £96.4 and made a contribution to the hall repair fund of £11.9k. The hall lettings income increased to £129.4k improved from 2021 (£118.5k). Total outgoings for the hall are expected to be £128k in our 2023 budget as a result of increased utility costs and necessary increased working hours by our office staff.

RESERVES POLICY

General Fund

Ideally, we would maintain reserves equal to six months' church operating expenses, i.e. £189.3k (50% of our 2023 budget). At 31st December 2022, our unrestricted funds net current assets were £157.3k, which is sufficiently close to this target.

Designated Fund

Ideally, we would maintain reserves equal to six months' hall operating expenses, i.e. £64.0k (50% of our 2023 budget). At 31st December 2022, our designated funds net current assets were £177.8k, which more than meets our target.

Our reserve funds are invested in the CBF Church of England Deposit Fund and CBF Church of England Investment Fund.

In the unprecedented times caused by the Covid-19 pandemic the PCC believes it has adequate reserves and cash to enable it to continue to meet its liabilities as they fall due for the foreseeable future. The PCC will continue to monitor the situation and manage expenditure on an on-going basis.

Planned Giving

The continued thrust of Stewardship in the year was the Planned Giving campaign in Lent. The campaign proved successful raising over £21k from increased promises and one-off donations excluding Gift Aid. 57 responses were received, which is marginally lower than previous years and this corresponded with a lower return of approximately £8k. Overall, this was considered a satisfactory result, particularly considering the cost of living crisis and demands from other worthy causes, such as Ukraine, and the Stewardship Committee are very grateful to the congregation. This year's Planned Giving campaign was run by Russ Hulett (Stewardship Committee Chairman) and the campaign themes focussed on rebuilding St Luke's financially and growing the congregation, particularly for families and young people.

ADMINISTRATIVE INFORMATION

St. Luke's Church Battersea is situated on the corner of Ramsden Road and Thurleigh Road in London SW12. It is part of the Diocese of Southwark within the Church of England. The correspondence address is:

St Luke's Church Battersea
The Parish Office
194 Ramsden Road
London SW12 8RQ

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in this report as the PCC. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). St Luke's was registered with the Charity Commission in September 2009, Registration No.1131772. The members of the PCC are the trustees of the charity.

Vicar: Reverend Lorenzo Fernandez-Smal
Associate Priest: Reverend Yunghee Koh

Parish Office: Amanda Palengat (*until September 2022*), Alison Roche (*until Sept 2022)*

Premises Manager: Sophie Seddon (*form September 2022)*
Communities and Families Coordinator: Alison Roche (*from September 2022)*
Parish Office Manager: Claire Healey (*from November 2022*), and Josie Ogg (*from November 2022*)

Church Wardens: David Seward, Antony Lewis-Crosby *(until May 2022),* Maralee Vezie (*from May 2022)*

Deputy Church Wardens: Roger Black, Andrew Cheeseman, Sophie Seddon, Maralee Vezie (*until May 2022*), James Vyvyan

Deanery Synod Representatives: Jenny Bailey, Claire Goddard, James Vyvyan

Parochial Church Council: Vicar, Associate Priest, Church Wardens, Deanery Synod Representatives, Craig Abouchar, Tony Blurton, Sarah Bourke, Rosie Collins, John Lucia, Cynthia Poole, David Powell, Katie Ryan, Tim Sanders-Hewett, Sarah Walker, Timothy Walker

Alice Lamb *(until May 2022)*
Gery Roberts, Libby Spurrier *(from May 2022)*

PCC Treasurer: John Lucia
PCC Secretary: Alice Lamb (*until May 2022*), Gilly Black (*from May 2022*)
Electoral Roll Officer: Alison Roche

Director of Music: Derek Carden
Apprentice Organist: Patricia Cheung *(from October 2022)*

Safeguarding Officers: Christine Lucia and Alison Roche
Health and Safety Officer: Catriona Patel

Auditor: Wellden Turnbulll Limited
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Parochial Church Council (PCC), who act as the trustees, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

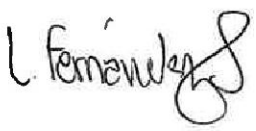
a) select suitable accounting policies and apply them consistently;
b) observe the methods and principles in the Charities SORP;
c) make judgments and estimates that are reasonable and prudent;
d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The PCC are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In so far as the PCC are aware:
➢ there is no relevant audit information of which the church's auditor is unaware; and
➢ the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on 31st May 2023 and signed on their behalf by Revd Lorenzo Fernandez-Smal (PCC Chairman).



PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2022

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2021 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charities, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 07/06/2023.

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2022

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	2021 £
INCOME FROM:						
Donations and legacies	2(a)	273,132	-	1,308	**274,440**	*363,509*
Activities for generating funds	2(b)	85,560	129,374	56,735	**271,669**	*253,410*
Investments	2(c)	12,425	1,100	604	**14,129**	*11,274*
Church activities	2(d)	1,396	-	-	**1,396**	*3,296*
Total		372,513	130,474	58,647	**561,634**	*631,489*
EXPENDITURE ON:						
Raising funds	3(a)	12,888	-	62,699	**75,587**	*74,035*
Church activities	3(b)	392,081	96,442	1,308	**489,831**	*524,915*
Total		404,969	96,442	64,007	**565,418**	*598,950*
Net income (expenditure)		(32,456)	34,032	(5,360)	**(3,784)**	*32,539*
Transfers between funds	9	24,500	(11,854)	11,854	**24,500**	*25,700*
Net income before investment gains		(7,956)	22,178	6,494	**20,716**	58,239
Gains/losses on investment funds	7(a)	-	(2,015)	(5,410)	**(7,425)**	-
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	(60,000)	-	-	**(60,000)**	*35,000*
Net gains/(losses) on investment properties	6(b)	3,750	-	-	**3,750**	*17,500*
Net movement in funds		(64,206)	20,163	1,084	**(42,959)**	110,739
Reconciliation of funds						
Total funds brought forward	9	3,108,198	157,603	383,757	**3,649,558**	*3,538,819*
Total funds carried forward	9	3,043,992	177,766	384,841	**3,606,599**	*3,649,558*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2022

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
FIXED ASSETS						
Tangible assets	6(a)	1,200,477	-	-	1,200,477	*1,241,309*
Residential property for church use	6(b)	1,225,000	-	-	1,225,000	*1,285,000*
Investment properties	6(b)	461,250	-	-	461,250	*457,500*
Total fixed assets		2,886,727	-	-	2,886,727	*2,983,809*
CURRENT ASSETS						
Investment funds	7(a)	-	92,985	249,590	342,575	-
Debtors	7(b)	18,366	11,185	-	29,551	*27,876*
Cash at bank and in hand		152,272	73,996	135,251	361,519	*649,991*
Total current assets		170,638	178,166	384,841	733,645	*677,867*
LIABILITIES						
Creditors: amounts falling due within one year	8	13,373	400	-	13,773	*12,118*
Net current assets		157,265	177,766	384,841	719,872	*665,749*
TOTAL NET ASSETS		3,043,992	177,766	384,841	3,606,599	*3,649,558*
PARISH FUNDS						
Unrestricted funds	9	3,043,992	-	-	3,043,992	*3,108,198*
Designated funds	9	-	177,766	-	177,766	*157,603*
Restricted funds	9	-	-	384,841	384,841	*383,757*
Total funds		3,043,992	177,766	384,841	3,606,599	*3,649,558*

Approved by the Parochial Church Council on 31st May 2023 and signed on its behalf by:

L. Fernández-S

Revd Lorenzo Fernandez-Smal, Vicar

JBLucia

John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2022

	2022		2021	
	£	£	£	£
Net cash from/(used in) operating activities*		39,974		71,275
Cash flows from investing activities				
Purchase of tangible fixed assets	-			
Interest and rent from investments	14,129		11,274	
Net cash provided by/(used in) investing activities		14,129		11,274
Change in cash and cash equivalents in the reporting period		54,103		82,549
Cash and cash equivalents at 1 January		649,991		567,442
Cash and cash equivalents at 31 December		704,094		649,991
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		20,716		58,239
Adjustments for:				
Depreciation charges		40,832		40,832
Interest and rent from investments		(14,129)		(11,274)
Decrease/(increase) in debtors		(1,675)		(9,529)
(Decrease)/increase in creditors		1,655		(6,993)
Gains/(losses) on investment funds		(7,425)		-
***Net cash from/(used in) operating activities**		39,974		71,275
Analysis of cash and cash equivalents				
Bank current accounts		159,051		171,417
Short term deposits		202,468		478,574
Investment funds		342,575		-
		704,094		649,991

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2022

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b)."

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2022

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	853	-	-	853	*1,222*
	Battersea Synod grant	230	-	-	230	-
	Diocese energy grant	1,400	-	-	1,400	-
	Job Retention Scheme	-	-	-	-	*3,196*
	sub-total	2,483	-	-	2,483	4,418
	Voluntary giving					
	Stewardship & envelopes	191,475	-	-	191,475	*186,812*
	Loose cash	11,569	-	-	11,569	*7,569*
	Tax refund	42,547	-	-	42,547	*42,676*
	Donations, appeals etc.	25,058	-	1,308	26,366	*26,392*
	Legacies	-	-	-	-	*95,642*
	sub-total	270,649	-	1,308	271,957	*359,091*
	Total	273,132	-	1,308	274,440	*363,509*
2(b)	**Activities for generating funds**					
	Christmas market	14,345	-	-	14,345	*17,896*
	Church & hall lettings	37,579	129,374	-	166,953	*142,957*
	Antenna rent & cost of electricity	29,686	-	-	29,686	*26,487*
	Church musical & social activities	3,950	-	56,735	60,685	*66,070*
	Total	85,560	129,374	56,735	271,669	*253,410*
2(c)	**Investments**					
	Property lettings	10,064	-	-	10,064	*10,964*
	Interest	2,361	1,100	604	4,065	*310*
	Total	12,425	1,100	604	14,129	*11,274*
2(d)	**Church activities**					
	Parochial fees received	1,396	-	-	1,396	*3,296*
	Total	1,396	-	-	1,396	*3,296*
	Total	**372,513**	**130,474**	**58,647**	**561,634**	*631,489*

3. EXPENDITURE ON:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
3(a)	**Raising funds**					
	Publicity and printing	3,290	-	-	3,290	*4,315*
	Christmas market	3,569	-	-	3,569	*9,159*
	Church musical & social activities	6,029	-	62,699	68,728	*60,561*
	Total	12,888	-	62,699	75,587	*74,035*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	1,308	1,308	*2,909*
	sub-total	18,800	-	1,308	20,108	*21,709*
	Ministry					
	Diocesan parish support fund	163,000	-	-	163,000	*188,000*
	Clergy costs	39,942	-	-	39,942	*40,429*
	Other staff costs	2,440	-	-	2,440	*13,446*
	Parochial fees paid to diocese	218	-	-	218	*1,181*
	Nightshelter costs	1,008	-	-	1,008	*1,260*
	Other expenses incl petty cash	3,525	-	-	3,525	*3,384*
	sub-total	210,133	-	-	210,133	*247,700*
	Church expenses					
	Repairs & maintenance	9,363	-	-	9,363	*15,380*
	Insurance	7,690	-	-	7,690	*7,450*
	Utilities incl antenna electricity	20,643	-	-	20,643	*20,123*
	Cost of services incl music	16,131	-	-	16,131	*15,187*
	Sound system installation	-	-	-	-	*2,192*
	Sound system depreciation	12,500	-	-	12,500	*12,500*
	sub-total	66,327	-	-	66,327	*72,832*
	Community Hall expenses					
	Hall improvements & major works	-	-	-	-	*1,352*
	Insurance	-	1,799	-	1,799	*1,694*
	Running expenses incl utilities	-	66,326	-	66,326	*50,005*
	External railings renewal	-	-	-	-	*5,714*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	68,125	-	96,457	*87,097*
	Property expenses					
	Repairs & maintenance	8,944	-	-	8,944	*11,437*
	Utilities & council tax	2,476	-	-	2,476	*2,396*
	Insurance	2,420	-	-	2,420	*1,575*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*25,700*
	sub-total	38,340	-	-	38,340	*41,108*
	Administration					
	Salaries & wages (office)	16,748	26,672	-	43,420	*41,105*
	Telephone, postage, website etc.	3,305	1,561	-	4,866	*4,275*
	Professional fees	9,251	-	-	9,251	*8,239*
	Bank charges	845	84	-	929	*850*
	sub-total	30,149	28,317	-	58,466	*54,469*
	Total	392,081	96,442	1,308	489,831	*524,915*
	Total	**404,969**	**96,442**	**64,007**	**565,418**	*598,950*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £8.400 (£7,500 in 2021) and payroll services of £851 (£739 in 2021).

5(a) STAFF COSTS

	2022	2021
	£	£
Gross wages, salaries and benefits in kind	45,860	61,522
Employer's pension contributions	1,925	2,201
Employer's National Insurance costs	-	(2,111)
less Job Retention Scheme grants received	-	(3,197)
Total staff costs	47,785	*58,415*
Average number of employees in the year (including part time staff)	3	*3*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2022: £1,925, 2021: £2,201).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2021: None).

During the year the church received £Nil (2021: £3,197) under the Coronavirus Job Retention Scheme for furloughed employees, which is presented within grant income in the SoFA.

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2021: None).

During the year the church reimbursed expenses of £2,305 (2021: £1,257) for 7 PCC members (2021: 4) including event costs and Music Society expenses.

For our Associate Priest £38,750 (2021: £39,307) was paid to the diocese for her stipend, pension and other costs. In addition £1,521 (2021: £1,062) was paid to her for reclaimable expenses.

The house in Canford Road was being lived in by our Associate Priest and family rent free for the year. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2021: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

All Unrestricted		Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward	275,000	-	275,000
	Land around Community Hall Balance brought forward	1,416,620	7,906	1,424,526
	Community Hall Balance brought forward	-	50,000	50,000
	Sound system Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	475,312	32,905	508,217
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	503,644	45,405	549,049
	Net book value			
	At 1 January 2022	1,216,308	25,001	1,241,309
	At 31 December 2022	1,187,976	12,501	1,200,477

6(b) RESIDENTIAL PROPERTIES

All Unrestricted		2022	*2021*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,285,000	1,250,000
	Revaluation	(60,000)	35,000
	Balance carried forward	1,225,000	1,285,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*25,700*
	Elimination on revaluation	(24,500)	*(25,700)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2022	1,285,000	*1,250,000*
	At 31 December 2022	1,225,000	*1,285,000*
Investment properties			
5a Wroughton Road - tenanted flat		461,250	*457,500*
	Total	461,250	*457,500*
Reconciliation to brought forward:			
	Balance brought forward	457,500	*440,000*
	Net gain/(loss) from fair value adjustments	3,750	*17,500*
	Additions / disposals	-	-
		461,250	*457,500*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations are based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuations at January 2023 represent the fair values of the residential properties held at 31 December 2022 in all material respects.

The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £461,250.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £13k (2021: £14k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2022	*2021*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	-
Revaluation loss	-	(2,015)	(5,410)	(7,425)	-
Market value at 31 December 2022	-	92,985	249,590	342,575	-

New investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2022 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		8,341	-	-	8,341	*8,837*
Other debtors		10,025	11,185	-	21,210	*19,039*
	Total	18,366	11,185	-	29,551	*27,876*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		8,400	-	-	8,400	*7,500*
Other creditors		4,973	400	-	5,373	*4,618*
	Total	13,373	400	-	13,773	*12,118*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		153,756	-	(3,282)		(2,334)	148,140
Special Collections Fund		-	1,308	(1,308)	-	-	-
Hall Repair Fund		166,962	604	-	11,854	(3,076)	176,344
Music Society Fund		63,039	56,735	(59,417)	-	-	60,357
	sub-total	383,757	58,647	(64,007)	11,854	(5,410)	384,841
Designated Funds							
Hall Management Fund		157,603	130,474	(96,442)	(11,854)	(2,015)	177,766
	sub-total	157,603	130,474	(96,442)	(11,854)	(2,015)	177,766
General Funds							
General fund		1,799,338	372,513	(404,969)	24,500	-	1,791,382
Fair value reserve		407,500	-	-	-	3,750	411,250
Revaluation reserve		901,360	24,500	-	(24,500)	(60,000)	841,360
	sub-total	3,108,198	397,013	(404,969)	-	(56,250)	3,043,992
Totals		3,649,558	586,134	(565,418)	-	(63,675)	3,606,599

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £3,750 (2021: gain £17,500). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation loss recognised in the current year of £60,000 is offset by a reserves transfer for £24,500 (2021: £25,700) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2022 (2021: £18,800).

A total of £13,000 (2021: £13,100) was given to 16 (2021: 20) charities operating in the UK, with a maximum of £1,250 each (2021: £1,250).

A total of £5,800 (2021: £5,700) was given to 8 UK charities which operate overseas (2021: 10), with a maximum of £1,000 each (2021: £750).

Special collections are also made with the proceeds being passed on to charities. A total of £1,308 (2021: £2,909) was donated to 4 charities in this way.

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2022

Contents	Page
Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2021 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of income, the override of controls by management, and the valuation of the charities, residential properties. We have obtained an understanding of the legal and regulatory frameworks that the Charity operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Charity's operations and reputation. The Charities Act 2011, employment law, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 07/06/2023.

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2022

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	2021 £
INCOME FROM:						
Donations and legacies	2(a)	273,132	-	1,308	**274,440**	*363,509*
Activities for generating funds	2(b)	85,560	129,374	56,735	**271,669**	*253,410*
Investments	2(c)	12,425	1,100	604	**14,129**	*11,274*
Church activities	2(d)	1,396	-	-	**1,396**	*3,296*
Total		372,513	130,474	58,647	**561,634**	*631,489*
EXPENDITURE ON:						
Raising funds	3(a)	12,888	-	62,699	**75,587**	*74,035*
Church activities	3(b)	392,081	96,442	1,308	**489,831**	*524,915*
Total		404,969	96,442	64,007	**565,418**	*598,950*
Net income (expenditure)		(32,456)	34,032	(5,360)	**(3,784)**	*32,539*
Transfers between funds	9	24,500	(11,854)	11,854	**24,500**	*25,700*
Net income before investment gains		(7,956)	22,178	6,494	**20,716**	58,239
Gains/losses on investment funds	7(a)	-	(2,015)	(5,410)	**(7,425)**	-
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	(60,000)	-	-	**(60,000)**	*35,000*
Net gains/(losses) on investment properties	6(b)	3,750	-	-	**3,750**	*17,500*
Net movement in funds		(64,206)	20,163	1,084	**(42,959)**	110,739
Reconciliation of funds						
Total funds brought forward	9	3,108,198	157,603	383,757	**3,649,558**	*3,538,819*
Total funds carried forward	9	3,043,992	177,766	384,841	**3,606,599**	*3,649,558*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2022

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
FIXED ASSETS						
Tangible assets	6(a)	1,200,477	-	-	1,200,477	*1,241,309*
Residential property for church use	6(b)	1,225,000	-	-	1,225,000	*1,285,000*
Investment properties	6(b)	461,250	-	-	461,250	*457,500*
Total fixed assets		2,886,727	-	-	2,886,727	*2,983,809*
CURRENT ASSETS						
Investment funds	7(a)	-	92,985	249,590	342,575	-
Debtors	7(b)	18,366	11,185	-	29,551	*27,876*
Cash at bank and in hand		152,272	73,996	135,251	361,519	*649,991*
Total current assets		170,638	178,166	384,841	733,645	*677,867*
LIABILITIES						
Creditors: amounts falling due within one year	8	13,373	400	-	13,773	*12,118*
Net current assets		157,265	177,766	384,841	719,872	*665,749*
TOTAL NET ASSETS		3,043,992	177,766	384,841	3,606,599	*3,649,558*
PARISH FUNDS						
Unrestricted funds	9	3,043,992	-	-	3,043,992	*3,108,198*
Designated funds	9	-	177,766	-	177,766	*157,603*
Restricted funds	9	-	-	384,841	384,841	*383,757*
Total funds		3,043,992	177,766	384,841	3,606,599	*3,649,558*

Approved by the Parochial Church Council on 31st May 2023 and signed on its behalf by:

L. Fernández-S

Revd Lorenzo Fernandez-Smal, Vicar

JBLucia

John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2022

	2022		2021	
	£	£	£	£
Net cash from/(used in) operating activities*		39,974		71,275
Cash flows from investing activities				
Purchase of tangible fixed assets	-			
Interest and rent from investments	14,129		11,274	
Net cash provided by/(used in) investing activities		14,129		11,274
Change in cash and cash equivalents in the reporting period		54,103		82,549
Cash and cash equivalents at 1 January		649,991		567,442
Cash and cash equivalents at 31 December		704,094		649,991
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		20,716		58,239
Adjustments for:				
Depreciation charges		40,832		40,832
Interest and rent from investments		(14,129)		(11,274)
Decrease/(increase) in debtors		(1,675)		(9,529)
(Decrease)/increase in creditors		1,655		(6,993)
Gains/(losses) on investment funds		(7,425)		-
***Net cash from/(used in) operating activities**		39,974		71,275
Analysis of cash and cash equivalents				
Bank current accounts		159,051		171,417
Short term deposits		202,468		478,574
Investment funds		342,575		-
		704,094		649,991

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2022

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits and investment funds with CBF Church of England Funds.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis, which means that the charity can be expected to meet its liabilities as they fall due for the foreseeable future. In assessing the appropriateness of the going concern basis of preparation, the trustees have taken into account the key risks to the charity, as well as the available cash reserves and other assets, including the Charity's property portfolio, which, if necessary, could be used as security for future funding or sold to boost cash reserves.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b)."

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2022

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	853	-	-	853	*1,222*
	Battersea Synod grant	230	-	-	230	-
	Diocese energy grant	1,400	-	-	1,400	-
	Job Retention Scheme	-	-	-	-	*3,196*
	sub-total	2,483	-	-	2,483	4,418
	Voluntary giving					
	Stewardship & envelopes	191,475	-	-	191,475	*186,812*
	Loose cash	11,569	-	-	11,569	*7,569*
	Tax refund	42,547	-	-	42,547	*42,676*
	Donations, appeals etc.	25,058	-	1,308	26,366	*26,392*
	Legacies	-	-	-	-	*95,642*
	sub-total	270,649	-	1,308	271,957	*359,091*
	Total	273,132	-	1,308	274,440	*363,509*
2(b)	**Activities for generating funds**					
	Christmas market	14,345	-	-	14,345	*17,896*
	Church & hall lettings	37,579	129,374	-	166,953	*142,957*
	Antenna rent & cost of electricity	29,686	-	-	29,686	*26,487*
	Church musical & social activities	3,950	-	56,735	60,685	*66,070*
	Total	85,560	129,374	56,735	271,669	*253,410*
2(c)	**Investments**					
	Property lettings	10,064	-	-	10,064	*10,964*
	Interest	2,361	1,100	604	4,065	*310*
	Total	12,425	1,100	604	14,129	*11,274*
2(d)	**Church activities**					
	Parochial fees received	1,396	-	-	1,396	*3,296*
	Total	1,396	-	-	1,396	*3,296*
	Total	**372,513**	**130,474**	**58,647**	**561,634**	*631,489*

3. EXPENDITURE ON:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2022 £	*2021 £*
3(a)	**Raising funds**					
	Publicity and printing	3,290	-	-	3,290	*4,315*
	Christmas market	3,569	-	-	3,569	*9,159*
	Church musical & social activities	6,029	-	62,699	68,728	*60,561*
	Total	12,888	-	62,699	75,587	*74,035*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*18,800*
	Special collections	-	-	1,308	1,308	*2,909*
	sub-total	18,800	-	1,308	20,108	*21,709*
	Ministry					
	Diocesan parish support fund	163,000	-	-	163,000	*188,000*
	Clergy costs	39,942	-	-	39,942	*40,429*
	Other staff costs	2,440	-	-	2,440	*13,446*
	Parochial fees paid to diocese	218	-	-	218	*1,181*
	Nightshelter costs	1,008	-	-	1,008	*1,260*
	Other expenses incl petty cash	3,525	-	-	3,525	*3,384*
	sub-total	210,133	-	-	210,133	*247,700*
	Church expenses					
	Repairs & maintenance	9,363	-	-	9,363	*15,380*
	Insurance	7,690	-	-	7,690	*7,450*
	Utilities incl antenna electricity	20,643	-	-	20,643	*20,123*
	Cost of services incl music	16,131	-	-	16,131	*15,187*
	Sound system installation	-	-	-	-	*2,192*
	Sound system depreciation	12,500	-	-	12,500	*12,500*
	sub-total	66,327	-	-	66,327	*72,832*
	Community Hall expenses					
	Hall improvements & major works	-	-	-	-	*1,352*
	Insurance	-	1,799	-	1,799	*1,694*
	Running expenses incl utilities	-	66,326	-	66,326	*50,005*
	External railings renewal	-	-	-	-	*5,714*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	68,125	-	96,457	*87,097*
	Property expenses					
	Repairs & maintenance	8,944	-	-	8,944	*11,437*
	Utilities & council tax	2,476	-	-	2,476	*2,396*
	Insurance	2,420	-	-	2,420	*1,575*
	Depreciation on 30 Canford Road	24,500	-	-	24,500	*25,700*
	sub-total	38,340	-	-	38,340	*41,108*
	Administration					
	Salaries & wages (office)	16,748	26,672	-	43,420	*41,105*
	Telephone, postage, website etc.	3,305	1,561	-	4,866	*4,275*
	Professional fees	9,251	-	-	9,251	*8,239*
	Bank charges	845	84	-	929	*850*
	sub-total	30,149	28,317	-	58,466	*54,469*
	Total	392,081	96,442	1,308	489,831	*524,915*
	Total	**404,969**	**96,442**	**64,007**	**565,418**	*598,950*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £8.400 (£7,500 in 2021) and payroll services of £851 (£739 in 2021).

5(a) STAFF COSTS

	2022	2021
	£	£
Gross wages, salaries and benefits in kind	45,860	61,522
Employer's pension contributions	1,925	2,201
Employer's National Insurance costs	-	(2,111)
less Job Retention Scheme grants received	-	(3,197)
Total staff costs	47,785	*58,415*
Average number of employees in the year (including part time staff)	3	*3*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2022: £1,925, 2021: £2,201).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2021: None).

During the year the church received £Nil (2021: £3,197) under the Coronavirus Job Retention Scheme for furloughed employees, which is presented within grant income in the SoFA.

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2021: None).

During the year the church reimbursed expenses of £2,305 (2021: £1,257) for 7 PCC members (2021: 4) including event costs and Music Society expenses.

For our Associate Priest £38,750 (2021: £39,307) was paid to the diocese for her stipend, pension and other costs. In addition £1,521 (2021: £1,062) was paid to her for reclaimable expenses.

The house in Canford Road was being lived in by our Associate Priest and family rent free for the year. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2021: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

All Unrestricted		Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward	275,000	-	275,000
	Land around Community Hall Balance brought forward	1,416,620	7,906	1,424,526
	Community Hall Balance brought forward	-	50,000	50,000
	Sound system Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	475,312	32,905	508,217
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	503,644	45,405	549,049
	Net book value			
	At 1 January 2022	1,216,308	25,001	1,241,309
	At 31 December 2022	1,187,976	12,501	1,200,477

6(b) RESIDENTIAL PROPERTIES

All Unrestricted		2022	*2021*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest			
Revalued amount	Balance brought forward	1,285,000	1,250,000
	Revaluation	(60,000)	35,000
	Balance carried forward	1,225,000	1,285,000
Depreciation	Balance brought forward	-	-
	Depreciation charge for year 2% on 30 Canford Road for full year	24,500	*25,700*
	Elimination on revaluation	(24,500)	*(25,700)*
	Balance carried forward	-	-
	Net book value		
	At 1 January 2022	1,285,000	*1,250,000*
	At 31 December 2022	1,225,000	*1,285,000*
Investment properties			
5a Wroughton Road - tenanted flat		461,250	*457,500*
	Total	461,250	*457,500*
Reconciliation to brought forward:			
	Balance brought forward	457,500	*440,000*
	Net gain/(loss) from fair value adjustments	3,750	*17,500*
	Additions / disposals	-	-
		461,250	*457,500*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2023, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations are based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuations at January 2023 represent the fair values of the residential properties held at 31 December 2022 in all material respects.

The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 25% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £461,250.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £13k (2021: £14k) based on an original cost of £63k in 1983.

7. CURRENT ASSETS

7(a) INVESTMENTS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2022	*2021*
	£	£	£	£	*£*
Purchases at cost	-	95,000	255,000	350,000	-
Revaluation loss	-	(2,015)	(5,410)	(7,425)	-
Market value at 31 December 2022	-	92,985	249,590	342,575	-

New investments have been made during the year in the CBF Church of England Investment Fund. The holding at 31 December 2022 was 6,457.84 accumulation shares which cost £350,000.

7(b) DEBTORS

Tax recoverable		8,341	-	-	8,341	*8,837*
Other debtors		10,025	11,185	-	21,210	*19,039*
	Total	18,366	11,185	-	29,551	*27,876*

8. LIABILITIES

Amounts falling due within one year						
Accruals and deferred income		8,400	-	-	8,400	*7,500*
Other creditors		4,973	400	-	5,373	*4,618*
	Total	13,373	400	-	13,773	*12,118*

9. FUNDS

9(a) Fund movements

		Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds		£	£	£	£	£	£
Legacies Fund		153,756	-	(3,282)		(2,334)	148,140
Special Collections Fund		-	1,308	(1,308)	-	-	-
Hall Repair Fund		166,962	604	-	11,854	(3,076)	176,344
Music Society Fund		63,039	56,735	(59,417)	-	-	60,357
	sub-total	383,757	58,647	(64,007)	11,854	(5,410)	384,841
Designated Funds							
Hall Management Fund		157,603	130,474	(96,442)	(11,854)	(2,015)	177,766
	sub-total	157,603	130,474	(96,442)	(11,854)	(2,015)	177,766
General Funds							
General fund		1,799,338	372,513	(404,969)	24,500	-	1,791,382
Fair value reserve		407,500	-	-	-	3,750	411,250
Revaluation reserve		901,360	24,500	-	(24,500)	(60,000)	841,360
	sub-total	3,108,198	397,013	(404,969)	-	(56,250)	3,043,992
Totals		3,649,558	586,134	(565,418)	-	(63,675)	3,606,599

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £3,750 (2021: gain £17,500). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation loss recognised in the current year of £60,000 is offset by a reserves transfer for £24,500 (2021: £25,700) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2022 (2021: £18,800).

A total of £13,000 (2021: £13,100) was given to 16 (2021: 20) charities operating in the UK, with a maximum of £1,250 each (2021: £1,250).

A total of £5,800 (2021: £5,700) was given to 8 UK charities which operate overseas (2021: 10), with a maximum of £1,000 each (2021: £750).

Special collections are also made with the proceeds being passed on to charities. A total of £1,308 (2021: £2,909) was donated to 4 charities in this way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales - Charity number 1131772

Accounts

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA

Registered Charity No. 1131772

ANNUAL REPORT

Year Ending 31 DECEMBER 2021

Parochial Church Council of St Luke, Battersea
Annual Report 2021

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

AIM AND PURPOSES

The Parochial Church Council of St Luke, Battersea (PCC) has the responsibility of cooperating with the Vicar to promote, in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church, the adjacent Community Hall and two residential properties.

OBJECTIVES AND ACTIVITIES

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within the parish. Our services and worship put faith into practice through prayer, scripture, preaching, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus Christ.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St Luke, the Community Hall and the two residential properties.

ACHIEVEMENTS AND PERFORMANCE

Worship and Ministry

The Vicar's Report

Our overarching concern as the parish emerged from a pandemic, the aftermath of which still impacting our lives, has been to re-open the services and ministries that had to be interrupted. Some activities carried on regardless of Covid, on Zoom. The study group on the Gospel according to Matthew, which was begun right at the start of the first lockdown, is about to finish. The tenacity and interest of its members shall now pass into legend. We are about to begin a new study group on the Gospel according to John. It will of course be open to all… but it may very well last a couple of years too! The Monday Bible study group organised by Christine Lucia has also continued through the year online and then in person.

Yunghee has similarly maintained evening prayer online as a way to encourage to join and to keep in touch with those who cannot be there in person. Meditation now takes place at 8.30am three times a week.

The school services have returned fully, albeit alternating between upper and lower schools to accommodate safely a suitable number of parents who wish to attend. We have begun a termly staff service for the teachers of Thomas' school. We have an excellent relationship with the two new headteachers who began their job in such strange circumstances and attend almost every week.

Weddings, baptisms and funerals have also resumed without restriction and in 2021, we celebrated three weddings, four funerals and twenty-seven baptisms as well as less ordinary life event celebrations. Divine worship has resumed and is gradually approximating the shape it had before the epidemic.

Our Sunday attendance is on average 129 adults and 24 children, most of the latter can be found at the 9am communion service but with Junior Church re-opening in 2022, we hope to slowly attract older children back. We hope to resume bigger events as soon as a Youth and Families Officer is recruited. Our average weekly attendance is 377 adults and 523 children, the drop being caused by the alternation of upper and lower schools rather than all school services every week.

The Lent Groups were organised by Yunghee this year, based on the St Martin in the Field 'Art and the Bible Story'. All groups ran online and both the theme and format proved extremely popular and thought-provoking. In September, we also finally managed to have the long-overdue postponed party with a Korean BBQ to welcome Yunghee to the parish as well as to thank the two previous wardens, Sarah McLaughlin and Sophie Seddon who worked tirelessly for the church.

I am hugely grateful for Timothy Walker's review of services, still ongoing, to be concluded this year. Some of the projects that were abandoned last year can now be tried again. I will therefore try to see if there is an interest for a regular service of communion in French among the many francophone families that live nearby. We will base it on the Canadian prayerbook. Hopefully, by September next year, we will begin a meditation class for children who find it difficult to concentrate or manage their emotions. We are also planning to have St Luke's Passion Play on 9th April 2022. The script was written by Libby Spurrier and Anthony Ogg and we are currently recruiting the cast and volunteers throughout the parish to involve the community in the event.

Music at St Luke's

St Luke's owes a great debt of gratitude to its Director of Music, Derek Carden, for leading the choir through a very difficult year due to the pandemic.

The year started in lockdown, with all the 10.30 services being broadcast on Zoom and Facebook to the congregation. Until Easter, the music was sung by a solo Cantor accompanied by Derek Carden. A number of the choir members volunteered to sing solo as Cantor. Most had not been soloists before and with Derek's support and training they surpassed their own expectations in maintaining a good standard and added considerably to the services.

From Easter, the choir returned initially in limited numbers due to the restrictions on choral singing, but by the summer, a full choir was allowed even though the congregation were not allowed to sing until the autumn.

The annual Christmas carol service was excellent and musically showed that a return to normality was coming back. However with a new variant of COVID proving very persistent, the numbers in the congregation had to be limited.

Youth and Children

Our 9.00 am Family Service continued online until April when we welcomed everyone back into church. The service continues to be live-streamed to enable families to join online.

Staff members Jordan Theis and Alison Roche continued to engage with some of the younger members of the congregation on Zoom and held regular Film Quizzes for young people and families throughout the year.

We held a successful online Christingle and Mothering Sunday services with packs delivered to families to join in from home. We invited one family to help in church with the services to demonstrate the crafts and lead the prayers and readings.

At Christmas, the children and families joined with the older members of the congregation for Café Carols, a service of readings and lots of music. This was followed by mulled wine, coffee and mince pies.

Jordan Theis, our Junior Choir director, organised a great Nativity with a group of children singing the story of the nativity. This had to be scaled back with the restrictions of the Omicron variant. There were two services with people joining on-line, with a limited number of people in church. Unfortunately, Jordan left us at Christmas for pastures new and his replacement is to be appointed in 2022.

Play and Pray on a Wednesday and Playgroup on a Thursday

Tales, Play & Pray continued online from January with the same format of two stories for the under 3's, singing and prayers at the end. At Easter, we held a craft event online. Craft packs were delivered to families to do at home, with wooden eggs to decorate while joining a Zoom call. Families were then encouraged to come to church to decorate the Easter Tree with their creations and join in the Easter Dawn Service when we were able to return to church. Over the summer months of May, June, July and August, we held in person Tales, Play & Pray and from September returned to weekly dates.

In September we were delighted to re-open our Drop In Playgroup in the Community Hall each Thursday afternoon.

During this very strange year, we have tried to stay engaged with the youth and children and their families through a variety of services and activities, and we look forward to building on some of the successes as we return to in person events.

Youth Music at St. Luke's

The closure of schools and national lockdowns resulted in scant opportunities for young people to be involved in collective music making during 2021, the impact of this most visibly in the absence of our Junior Choir at weekly worship either online or when in church.

This is not to say that youth music making came to a complete stop. Jordan resumed his Youth Choir practises with the choir working towards joining in the Nine Lessons and Carols and the Nativity Service at Christmas. This sadly had to be scaled back.

Pastoral Care

St Luke's Pastoral Leadership Team (PLT) co-ordinates care and prayer for those of all ages in need in the local community. During the last year, social events and celebrations have been returning to in person events. Special mention should be made of the parish wide BBQ in September, the patronal festival in October with its emphasis on recognising and thanking all the volunteers who have helped throughout the pandemic, and Christmas Café Carols,

which were back in person. Wednesday mornings, with Pray and Play, a coffee morning, and morning Eucharist, offers opportunities for different age groups to meet and is becoming an established feature of our ministry to the community.

Organising baptisms, and recruiting and training baptismal assistants, is an important part of the PLT's remit, especially as the church continues to work through the backlog generated by the restrictions of the pandemic. The Prayer Chain, updated monthly and circulated among a faithful team who pray regularly for those in need, is another important ministry managed by the PLT.

The PLT keeps abreast of what is happening in the various ministries at St Luke's while not being involved directly.

Social Events

The highlight of St Luke's Social events was a Korean Barbecue held in September. This had been postponed from the Summer when the annual St Luke's Barbecue is usually held because of the continuing pandemic. Over 150 members of the congregation and the community attended with the widest possible range of ages, and we were blessed with excellent weather throughout the event. The Korean influence was particularly felt in the amazing food organised by Associate Priest Yunghee Koh and some of her family and friends who came over from one of previous parishes in New Malden. The Korean food was supplemented by a huge array of salads and desserts provided by many church members.

As the darkness began to fall games for the children were organised and a special presentation was made to Sophie Seddon and Sarah McLaughlin who had stepped down as churchwardens during the previous two years.

There had not been any Parish social events since the start of the Pandemic and so this magnificent event will hopefully be the launch pad for a fuller programme of events bringing us all together.

Christmas Market 2021

It was wonderful to enter St Luke's and see the 2021 Christmas Market set out for all to enjoy. While it is one of the major fundraising events of the year, it is also a wonderful social event for the Parish bringing everybody together to enjoy the many stalls and the excellent refreshments. While the online Christmas Market in 2020 worked well, the amazing atmosphere of the live event gave everyone a lift as the worries of Covid began to be of concern again. Huge congratulations are due to the organisers Maralee Vezie and Anne Abouchar who attracted an excellent quality of stalls including all the old favourites, a new Christmas gift stall and the launch of a new history of St Luke's by Timothy Walker. For the second year Christmas trees were on sale and were all snapped up.

Another great day in St Luke's year and nearly £10,000 was made for vital St Luke's funds at this difficult time.

Work in the Community

Use of the Community Hall

Against all Covid-odds, the Hall has seen a busy year. One-off bookings began to return in the Autumn and while a handful of regular hirers opted to continue their classes on Zoom rather than return to St Luke's, the hall has nonetheless been busy with regular hirers. Unfortunately for a second winter running, the Sunday Night Shelter was not with us but it is very much hoped that they will return in 2022. Current regular hirers include two nursery schools, two drama clubs, rugby classes for pre-school children, handwriting classes and an

adult pilates class, as well as various Uniformed Groups. We continue to host sport and drama holiday clubs.

Glass Door

The year has been a frustrating one for all those volunteers from St Luke's who have helped to run a Night Shelter on Sunday evenings in conjunction with Glass Door. This is particularly so for Tim Slorick and Cate Noble who lead the project.

Because of Covid and lockdown restrictions, Glass Door were unable to run a Night Shelter scheme either in the winter of 2020/1 or 2021/2. However, in the early part of 2021, a team of our volunteers did supply food to the Church of the Ascencion in Malwood Road where guests could go to have a meal on a Sunday night. This then was not possible in the later part of the year and so the project is on hold at present.

Wandsworth Foodbank

St Luke's congregation has continued to contribute to the Wandsworth Foodbank even during Lockdown. In the early months of the year, a collection point was organised weekly outside the church which was welcomed by many local people both to deliver food to be taken to the Foodbank and as a meeting point for people during Lockdown.
When the church fully reopened the collection returned to the back of church and the Hall.

Charitable Grants

Because of the financial situation of the church finances as a result of the pandemic, the Charitable Grants committee were faced with a reduction in funds allocated from £27,400 in 2020 to £18,800 in 2021. As a result, some hard decisions had to be made by the committee, both to reduce the number of charities that it could support and the amount that it could give to the supported charities.

As a result, 10 overseas charities and 20 local charities received support. This meant that overall, four charities were sadly not able to be supported. These were City Harvest, New Bridge, Mental Health Research UK and the Zimbabwe Diocese link. Reductions of between a quarter and a half in grants were made to the charities supported.

During the year, visits from charities to church services were made, including Mosaic supporting the work of St George's Church in Baghdad, Little Village supporting young families in need with children up to 5 years old with clothes and baby equipment and St George's Church of England Primary School, one of two church primary schools in the local area.

The PCC received a report from the Committee in the autumn and gave their encouragement to Amanda Williams and the Charitable Grants Committee for their work. It became clear in the discussion that members of the congregation volunteered at some of the charities that are supported. This includes volunteers at Little Village and a governor at Christ Church CofE primary school. The committee will look at other volunteering opportunities with our supported charities in the future.

Christian Aid

Christian Aid week 2021 was 10th to 16th May. The country was still in level 2 Covid restrictions meaning that socialising indoors was restricted to your support bubble. Churches were open for worship but there was no socialising.

Despite these restrictions, St Luke’s ran a plant stall held outside on a rather grey day and an online Cake Sale. Many thanks to Laurie Lowrie, Barbara McPhee and their teams of helpers.

Door to door collections were not possible but a couple of streets collected via their Whatsapp groups and others contributed either by the Church website or directly to Christian Aid.

St Luke's raised over £3000. A very big thank to the Christian Aid committee led by Gillian Robinson and the wider congregation. Christian Aid like most charities has seen its income fall since the pandemic; Christian Aid week has been particularly badly affected with revenue reduced by nearly 50%. Hopefully the easing of restrictions will encourage more fund-raising events.

St Luke's Music Society

2021 was a very strange year for the Music Society. Although two concerts had taken place in the Autumn of 2020, lockdown restrictions meant that the rest of the 2020/21 season had to be cancelled in the first 5 months of 2021. However, during that time, there was optimism that the 2021/22 season would be able to happen and that optimism was rewarded.

A summer concert took place in June with a gala concert of young musicians who had supported the Music Society during Lockdown and for many of the audience, this was their first experience of live music for over a year. The Festival Chorus also gave a concert during the same June weekend.

The 2021/22 season began in September with concerts by soprano Louise Alder and pianist Mitsuko Uchida. This was followed in October by a return from saxophonist Jess Gillam, in November by a Shakespeare inspired concert by Carolyn Sampson, Roderick Williams and Joseph Middleton and in December a jazz concert by The Chris Barber Band.

After a long period of fairly unsatisfactory Zoom rehearsals, the Festival Chorus returned to a normal rehearsal schedule and in November gave their first full programme including a new work by Louise Drewett originally scheduled for March 2020.

The Music Society managed to cover its costs in the year and retains reserves in the church accounts of £63.0k which includes advance ticket sales for the early concerts in 2022.

OUR BUILDINGS

The Community Hall

In response to a request from Nightingale Nursery, a gate was made for and installed at the top of the basement steps: the Nursery continues to use the side return for their drop off and collection point and the unprotected basement steps presented a safety issue. New gardeners started at the Hall in August: they have replaced the rotting playgroup shed, laid paving slabs to improve the approach to the bicycle rack in front of the Hall and are tackling all overgrown areas, as well as general maintenance. They are a very welcome addition. Due to reduced use and the extended decoration program in 2020, no internal decorating was carried out in 2021. There have been no other significant hall projects.

Church Fabric

The Quinquennial Inspection fell due this year and was carried out in April. Our newly appointed architect, Nicholas Weedon of Hanslip & Co, reported the church to be generally in good order but nonetheless listed a few areas requiring attention. The lion's share of this work was completed in-house but quotations are being sought for areas of brick and roof work.

The works to repair the dwarf wall and railings at the corner of Thurleigh and Ramsden Roads was finally completed in September and the work to reinstate the memorial garden will start in the new year. The sound system and live-streaming facility is now fully functioning and very much appreciated by the schools at Christmas, as well as St Luke's

generally. The mobile telecommunications equipment continues to require constant monitoring and maintenance by the network company and an extensive upgrade was carried out over the summer, finally completing, later than scheduled, in October.

Canford Road

This house is occupied by St Luke's Associate Priest, Yunghee Koh and family. There had been no significant capital outlay during the year until two days before Christmas when a leak from the bathroom came through the kitchen ceiling. A plumber was eventually found to stop the leak and our regular plumber completed the job in the new year.

Wroughton Road

The top, 1st floor flat remains occupied by the same rent controlled long term tenant. The ground floor flat tenant approached us for consent to extend the ground floor into the garden and is currently in correspondence with the Diocese who are also required to give consent to the proposed works. There has been no significant capital outlay during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Vicar, the churchwardens and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services, as members of the congregation, are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are 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 PCC met eight times during the year, with five of those meetings held using Zoom and in person from September onwards. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. The committees are as follows:

Charitable Grants (formerly Mission & Outreach)
Christmas Market
Communications
Finance
Hall Management
Health and Safety
Pastoral Leadership
St Luke's Music Society
Stewardship
Welcomers

Each committee reports back to the PCC regularly highlighting items which require PCC discussion or decision.

In addition, the Standing Committee, made up of the Vicar, Churchwardens and Treasurer, has the power to transact the business of the PCC between its meetings subject to any directions given by the Council. This committee meets prior to each PCC meeting to consider outstanding issues and plan the PCC Agenda.

The Safeguarding Officers (Child Protection) are Christine Lucia and Alison Roche. They are responsible for ensuring that a Disclosure Barring Service search is conducted on all those

who work with children and vulnerable adults in the church. They are also responsible for the safeguarding of vulnerable adults in the church.

Risk assessments received their regular annual review. The Premises Manager and Church Wardens have been designated as the responsible persons with regard to fire safety and the Premises Manager ensures that the fire extinguishers are maintained annually. Health and safety risk assessments and fire risk assessments are undertaken at regular intervals.

RISK ASSESSMENT

The PCC confirms that the major risks to which the Council has been exposed were identified by risk analysis exercises. The risks identified and steps taken to mitigate these risks are as follows:

- *Property fire or theft*. Insurance cover is maintained against both these risks. Fire inspections are carried out annually by a suitably qualified and experienced professional and fire extinguishers are tested and replaced as advised.

- *Liability of trustees*. Trustees' indemnity insurance cover is maintained.

- *Misappropriation of funds*. The budgeted expenditure for each year is approved by the full PCC. The amounts of cash held at any one time are not material to the Parish. Two signatories are required for all cheques and to authorise online payments. All matters involving significant unbudgeted expenditure are put to the full PCC.

- *Revenue falling below committed expenditure*. The Finance Committee operates a system of monitoring both income and expenditure throughout the year. Any anticipated deficit is addressed through a review of committed expenditure and sources of income including voluntary giving.

- *Allegations of inappropriate behaviour against persons acting on behalf of the parish*. The parish subscribes to the Diocesan scheme for screening all those involved in children's and youth work and work with vulnerable adults, including DBS checks. As is set out in 'A Safe Church', activities are structured in a way that minimises the potential for abuse or allegations of abuse to arise.

- *Covid-19.* Regular risk assessments were carried out during the year as the Church re-opened for public worship under various restrictions. Both Government and Church of England guidance was adhered to, in terms of social distancing and elements of the Eucharist services, including communion, the use of choirs, track and trace information, and entry and exit points for the building.

FINANCIAL REVIEW

Key financial outcomes for the church are considered to be:

Total income for the year: £631.5k (2020: £494.0k)

Surplus/deficit for the year, before fair value gains: £32.5k (2020: -£154.5k)

Net current unrestricted funds: £124.4k (2020: £156.2k)

During the year, the General Fund expenditure was £449.8k comprising £383.3k of church operating costs and £66.5k of depreciation of fixed assets. The income for the year was £351.5k giving a shortfall compared to operating costs of £31.8k excluding depreciation,

considerably more than 2020 but expected in our budget for the year. Revaluation of our two residential properties resulted in a fair value gain of £52.5k which gave a net decrease in the General Fund of £45.8k.

The Hall Management Fund increased by £24.2k. The operation of the hall made a surplus of £39.0k excluding the work to repair the external railings (£5.7k) and excluding the transfer of £9.1k to the Hall Repair Fund.

The Legacies Fund received two new legacies of £94.6k from the estate of Dorothy Sherburn and another of £1.0k from the estate of Audrey Kelly. £6.5k was expended on an addition to the new sound system and on choir costs giving an increase in the fund of £89.1k.

Church Income and Expenditure (General Fund)

During 2021 our income stream was still challenged by Covid-19. Regular stewardship giving held up well but income from envelopes and cash from collections at services was severely reduced when the church was closed or congregations limited in numbers. Voluntary giving from these sources was £194.4k compared to £190.7k in 2020. Other one off donations raised £23.5k and £42.7k was received in Gift Aid tax reclaims. Also £3.2k was received from the government job retention scheme for our children's worker who was on furlough for the first 3 months of the year.

Lettings income for the church was up by £4.5k to £24.4k compared to 2020 (£19.9k). Property income was reduced by £13.6k as our Canford Road house is now lived in by our Associate Priest.

As always, the largest component of our expenditure was the Parish Support Fund at £188.0k, the same as in 2020. This is used by the Diocese to pay clergy salaries, housing and other expenses and for diocesan staff and activities and as a well-off congregation, we rightly continued to help poorer parishes.

Charitable giving was in two parts: our regular giving was £18.8k reduced from 2020 (£27.4k) plus the collections made from time to time for specific charities (£2.9k). Church operating costs included the cost of our Associate Priest for the full year (£40.4k) and the part-time children's worker who was made redundant at the end of March (£12.9k). Church building maintenance costs and other running costs were similar to 2020.

For 2022 we have reduced our pledge to the diocese Parish Support Fund by £25.0k to £163.0k as a result of which our overall church operating expenses are expected to reduce to £345.0k before adding depreciation costs and this should lead to a moderate deficit for the year of £12.0k. We are holding a planned giving campaign early in the year and aiming to increase our stewardship income from the present level by £5.0k plus associated Gift Aid tax refund of £1.0k, with the objective of reducing this deficit.

The Community Hall (Hall Management Fund)

During 2021 the operation of the hall cost £79.6k excluding the work to repair the external railings and in addition made a contribution to the hall repair fund of £9.1k. The hall lettings income was affected by Covid-19 at £118.5k but improved from 2020 (£90.8k). The work to complete the external railings cost £5.7k and this was paid for from the Hall Management Fund. Total outgoings for the hall are expected to be £110.0k in our 2022 budget.

Planned Giving

The continued thrust of Stewardship in the year was the Planned Giving campaign in Lent. The campaign proved successful raising over £29.0k from increased promises and one-off

donations excluding Gift Aid. Approximately 60 responses were received, which is lower than previous years. Whilst the number of responses was down on previous years, the overall amount raised was higher than 2020 by about £5.0k. Overall, this was a very satisfactory result, particularly in the circumstances, and the Stewardship Committee are very grateful to the congregation. This year's Planned Giving campaign was run by Russ Hulett (Stewardship Committee Chairman) and the campaign themes focussed on young people and families and St Luke's contribution to the Diocese through the Parish Support Fund.

RESERVES POLICY

General Fund
Ideally, we would maintain reserves equal to six months' church operating expenses, i.e. £172.5k (50% of our 2022 budget). At 31st December 2021, our unrestricted funds net current assets were £124.4k, which is sufficiently close to this target.

Designated Fund
Ideally, we would maintain reserves equal to six months' hall operating expenses, i.e. £55.0k (50% of our 2022 budget). At 31st December 2021, our designated funds net current assets were £157.6k, which more than meets our target.

Our reserve funds are invested in the CBF Church of England Deposit Fund, Virgin Money charity account and the Manchester Building Society.

In the unprecedented times caused by the Covid-19 pandemic the PCC believes it has adequate reserves and cash to enable it to continue to meet its liabilities as they fall due for the foreseeable future. The PCC will continue to monitor the situation and manage expenditure on an on-going basis.

ADMINISTRATIVE INFORMATION

St. Luke's Church Battersea is situated on the corner of Ramsden Road and Thurleigh Road in London SW12. It is part of the Diocese of Southwark within the Church of England. The correspondence address is:

St Luke's Church Battersea
The Parish Office
194 Ramsden Road
London SW12 8RQ

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in this report as the PCC. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). St Luke's was registered with the Charity Commission in September 2009, Registration No.1131772. The members of the PCC are the trustees of the charity.

Vicar: Reverend Lorenzo Fernandez-Smal

Associate Priest: Reverend Yunghee Koh

Children's Worker: Sally Newman *(until March 2021)*

Parish Office: Amanda Palengat and Alison Roche

Church Wardens: David Seward, Sarah McLaughlin *(until May 2021)*, Antony Lewis-Crosby *(from May 2021)*

Deputy Church Wardens: Roger Black, Andrew Cheeseman, Sophie Seddon, Maralee Vezie, James Vyvyan

Deanery Synod Representatives:
Jenny Bailey, Claire Goddard, James Vyvyan

Parochial Church Council: Vicar, Associate Priest, Church Wardens, Deanery Synod Representatives, Craig Abouchar, Sarah Bourke, Alice Lamb, John Lucia, Cynthia Poole, Katie Ryan, Tim Sanders-Hewett, Maralee Vezie, Sarah Walker, Timothy Walker

David Barttelot *(until May 2021)*

Tony Blurton, Rosie Collins, David Powell *(all from May 2021)*

PCC Treasurer: John Lucia
PCC Secretary: Alice Lamb
Electoral Roll Officer: Alison Roche
Director of Music: Derek Carden

Junior Choir Director: Jordan Theis *(until December 2021)*

Safeguarding Officers: Christine Lucia and Alison Roche

Health and Safety Officer: Catriona Patel

Auditor: Wellden Turnbulll Limited

Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

ATTENDANCES AND LIFE EVENTS

Sunday Services average attendance:

Adults – 129, Children -24

Weekday Services average attendance:

Adults – 377, Children – 523

Life events during 2021:

Weddings – 3, Funerals – 4, Baptisms - 27

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Parochial Church Council (PCC), who act as the trustees, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted

Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

a) select suitable accounting policies and apply them consistently;
b) observe the methods and principles in the Charities SORP;
c) make judgments and estimates that are reasonable and prudent;
d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The PCC are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In so far as the PCC are aware:

- there is no relevant audit information of which the church's auditor is unaware; and
- the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on 5th April 2022 and signed on their behalf by Revd Lorenzo Fernandez-Smal (PCC Chairman).



PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2021

Contents **Page**

Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2021 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

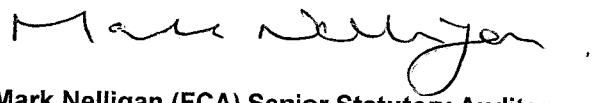
- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business;
- Reviewing legacy income against underlying probate documentation and legal paperwork to ensure that income has been recognised in the correct accounting period and that the funds allocation is consistent with the donor's wishes; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 27 April 2022

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2021

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	*2020 £*
INCOME FROM:						
Donations and legacies	2(a)	264,958	-	98,551	**363,509**	*276,714*
Activities for generating funds	2(b)	72,149	118,542	62,719	**253,410**	*186,665*
Investments	2(c)	11,056	44	174	**11,274**	*27,319*
Church activities	2(d)	3,296	-	-	**3,296**	*3,294*
Total		351,459	118,586	161,444	**631,489**	*493,992*
EXPENDITURE ON:						
Raising funds	3(a)	15,292	-	58,743	**74,035**	*65,971*
Church activities	3(b)	434,487	85,327	5,101	**524,915**	*582,492*
Total		449,779	85,327	63,844	**598,950**	*648,463*
Net income (expenditure)		(98,320)	33,259	97,600	**32,539**	*(154,471)*
Transfers between funds	9	25,700	(9,081)	9,081	**25,700**	-
Net income before investment gains		(72,620)	24,178	106,681	58,239	(154,471)
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	35,000	-	-	**35,000**	*8,333*
Net gains/(losses) on investments	6(b)	17,500	-	-	**17,500**	-
Net movement in funds		(20,120)	24,178	106,681	**110,739**	(146,138)
Reconciliation of funds						
Total funds brought forward	9	3,128,318	133,425	277,076	**3,538,819**	*3,684,957*
Total funds carried forward	9	3,108,198	157,603	383,757	**3,649,558**	*3,538,819*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2021

	Note	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2021	*2020*
		£	£	£	£	*£*
FIXED ASSETS						
Tangible assets	6(a)	1,241,309	-	-	1,241,309	*1,282,141*
Residential property for church use	6(b)	1,285,000	-	-	1,285,000	*1,250,000*
Investment properties	6(b)	457,500	-	-	457,500	*440,000*
Total fixed assets		2,983,809	-	-	2,983,809	*2,972,141*
CURRENT ASSETS						
Debtors	7	11,407	16,469	-	27,876	*18,347*
Cash at bank and in hand		123,275	142,959	383,757	649,991	*567,442*
Total current assets		134,682	159,428	383,757	677,867	*585,789*
LIABILITIES						
Creditors: amounts falling due within one year	8	10,293	1,825	-	12,118	*19,111*
Net current assets		124,389	157,603	383,757	665,749	*566,678*
TOTAL NET ASSETS		3,108,198	157,603	383,757	3,649,558	*3,538,819*
PARISH FUNDS						
Unrestricted funds	9	3,108,198	-	-	3,108,198	*3,128,318*
Designated funds	9	-	157,603	-	157,603	*133,425*
Restricted funds	9	-	-	383,757	383,757	*277,076*
Total funds		3,108,198	157,603	383,757	3,649,558	*3,538,819*

Approved by the Parochial Church Council on 5th April 2022 and signed on its behalf by:



Revd Lorenzo Fernandez-Smal, Vicar



John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2021

	2021		2020	
	£	£	£	£
Net cash from/(used in) operating activities*		96,975		(111,653)
Cash flows from investing activities				
Purchase of tangible fixed assets	-		(50,000)	
Interest and rent from investments	11,274		27,319	
Net cash provided by/(used in) investing activities		11,274		(22,681)
Change in cash and cash equivalents in the reporting period		108,249		(134,334)
Cash and cash equivalents at 1 January		567,442		701,776
Cash and cash equivalents at 31 December		675,691		567,442
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		58,239		(154,471)
Adjustments for:				
Depreciation charges		66,532		49,165
Interest and rent from investments		(11,274)		(27,319)
Decrease/(increase) in debtors		(9,529)		25,908
(Decrease)/increase in creditors		(6,993)		(4,936)
***Net cash from/(used in) operating activities**		96,975		(111,653)
Analysis of cash and cash equivalents				
Bank current accounts		171,417		169,174
Short term deposits		478,574		398,268
		649,991		567,442

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2021

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits with CBF Church of England Funds and with other major banks.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered 12 months from the date of authorisation of these financial statements and believe that the charity is able to meet its liabilities as they fall due for the foreseeable future. In their assessment, the trustees have taken into account the ongoing uncertain impact of the COVID-19 pandemic and the adequate cash reserves of the charity as well as its significant property portfolio, which could be used as either security for future funding or sold to boost cash reserves if required.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b)."

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2021

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	*2020 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	1,222	-	-	1,222	*2,117*
	Job Retention Scheme	3,196	-	-	3,196	*7,218*
	sub-total	4,418	-	-	4,418	9,335
	Voluntary giving					
	Stewardship & envelopes	186,812	-	-	186,812	*185,729*
	Loose cash	7,569	-	-	7,569	*4,939*
	Tax refund	42,676	-	-	42,676	*46,791*
	Donations, appeals etc.	23,483	-	2,909	26,392	*29,920*
	Legacies	-	-	95,642	95,642	-
	sub-total	260,540	-	98,551	359,091	*267,379*
	Total	264,958	-	98,551	363,509	*276,714*
2(b)	**Activities for generating funds**					
	Christmas market	17,896	-	-	17,896	*11,201*
	Church & hall lettings	24,415	118,542	-	142,957	*110,752*
	Antenna rent & cost of electricity	26,487	-	-	26,487	*27,311*
	Church musical & social activities	3,351	-	62,719	66,070	*37,401*
	Total	72,149	118,542	62,719	253,410	*186,665*
2(c)	**Investments**					
	Property lettings	10,964	-	-	10,964	*24,643*
	Interest	92	44	174	310	*2,676*
	Total	11,056	44	174	11,274	*27,319*
2(d)	**Church activities**					
	Parochial fees received	3,296	-	-	3,296	*3,294*
	Total	3,296	-	-	3,296	*3,294*
	Total	**351,459**	**118,586**	**161,444**	**631,489**	*493,992*

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2021

3. EXPENDITURE ON:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	*2020 £*
3(a)	**Raising funds**					
	Publicity and printing	4,315	-	-	4,315	*3,720*
	Christmas market	9,159	-	-	9,159	*3,881*
	Church musical & social activities	1,818	-	58,743	60,561	*58,370*
	Total	15,292	-	58,743	74,035	*65,971*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	18,800	-	-	18,800	*27,445*
	Special collections	-	-	2,909	2,909	*1,349*
	sub-total	18,800	-	2,909	21,709	*28,794*
	Ministry					
	Diocesan parish support fund	188,000	-	-	188,000	*188,000*
	Clergy costs	40,429	-	-	40,429	*32,051*
	Other staff costs	13,446	-	-	13,446	*19,369*
	Parochial fees paid to diocese	1,181	-	-	1,181	*1,535*
	Nightshelter costs	1,260	-	-	1,260	-
	Other expenses incl petty cash	3,384	-	-	3,384	*615*
	sub-total	247,700	-	-	247,700	*241,570*
	Church expenses					
	Repairs & maintenance	15,380	-	-	15,380	*18,307*
	Insurance	7,450	-	-	7,450	*7,876*
	Utilities incl antenna electricity	20,123	-	-	20,123	*19,871*
	Cost of services incl music	15,187	-	-	15,187	*13,712*
	Sound system installation	-	-	2,192	2,192	*14,398*
	Sound system depreciation	12,500	-	-	12,500	*12,500*
	sub-total	70,640	-	2,192	72,832	*86,664*
	Community Hall expenses					
	Hall improvements & major works	-	1,352	-	1,352	*11,935*
	Insurance	-	1,694	-	1,694	*1,694*
	Running expenses incl utilities	-	50,005	-	50,005	*50,273*
	External railings renewal	-	5,714	-	5,714	*54,519*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	58,765	-	87,097	*146,753*
	Property expenses					
	Repairs & maintenance	11,437	-	-	11,437	*10,653*
	Utilities & council tax	2,396	-	-	2,396	*1,661*
	Insurance	1,575	-	-	1,575	*(1,067)*
	Depreciation on 30 Canford Road	25,700	-	-	25,700	*8,333*
	sub-total	41,108	-	-	41,108	*19,580*
	Administration					
	Salaries & wages (office)	15,970	25,135	-	41,105	*46,095*
	Telephone, postage, website etc.	2,906	1,369	-	4,275	*3,852*
	Professional fees	8,239	-	-	8,239	*8,239*
	Bank charges	792	58	-	850	*945*
	sub-total	27,907	26,562	-	54,469	*59,131*
	Total	434,487	85,327	5,101	524,915	*582,492*
Total		**449,779**	**85,327**	**63,844**	**598,950**	*648,463*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £7,500 (£7,500 in 2020) and payroll services of £739 (£739 in 2020).

5(a) STAFF COSTS

	2021	*2020*
	£	*£*
Gross wages, salaries and benefits in kind	61,522	*65,629*
Employer's pension contributions	2,201	*2,619*
Employer's National Insurance costs	(2,111)	*4,457*
less Job Retention Scheme grants received	(3,197)	*(7,218)*
Total staff costs	58,415	*65,487*
Average number of employees in the year (including part time staff)	3	*4*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2021: £2,201, 2020: £2,619).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 (2020: None).

During the year the church received £3,197 (2020: £7,218) under the Coronavirus Job Retention Scheme for furloughed employees, which is presented within grant income in the SoFA.

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration (2020: None).

During the year the church reimbursed expenses of £1,257 (2020: £190) for 4 PCC members (2020: 2) including event costs and Music Society expenses.

For our Associate Priest £39,307 (2020: £24,968) was paid to the diocese for her stipend, pension and other costs. In addition £1,062 (2020: £510) was paid to her for reclaimable expenses.

The house in Canford Road was being lived in by our Associate Priest and family rent free from September 2020 onwards. This private benefit equates to circa £31,000 per annum based on market rents for the property if it were to be let commercially.

There are no other PCC transactions during the period (2020: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward Land around Community Hall	275,000	-	275,000
	Balance brought forward Community Hall	1,416,620	7,906	1,424,526
	Balance brought forward Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	446,980	20,405	467,385
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	475,312	32,905	508,217
	Net book value			
	At 1 January 2021	1,244,640	37,501	1,282,141
	At 31 December 2021	1,216,308	25,001	1,241,309

6(b) RESIDENTIAL PROPERTIES

All Unrestricted	**2021**	*2020*
	£	*£*
Residential property for church use		
30 Canford Road - house for associate priest		
Revalued amount Balance brought forward	1,250,000	-
Transfer from investment property	-	*1,250,000*
Revaluation	35,000	-
Balance carried forward	1,285,000	1,250,000
Depreciation Balance brought forward	-	-
Depreciation charge for year 2% on 30 Canford Road for full year	25,700	*8,333*
Elimination on revaluation	(25,700)	*(8,333)*
Balance carried forward	-	-
Net book value		
At 1 January 2021	1,250,000	**-**
At 31 December 2021	1,285,000	*1,250,000*
Investment properties		
5a Wroughton Road - tenanted flat	457,500	*440,000*
Total	457,500	*440,000*

Reconciliation to brought forward:

Balance brought forward	440,000	*1,690,000*
Transfer of 30 Canford Road to residential property for church use	-	*(1,250,000)*
Net gain from fair value adjustments	17,500	-
Additions / disposals	-	-
	457,500	*440,000*

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2022, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations are based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuations at January 2022 represent the fair values of the residential properties held at 31 December 2021 in all material respects.

The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 30% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £457,500.

The house in Canford Road ceased being let comercially in August 2020 and has since been lived in by our Associate Priest and family rent free. It therefore ceased being an investment asset during the prior period.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £14k (2020: £15k) based on an original cost of £63k in 1983.

7. DEBTORS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2021	*2020*
	£	**£**	**£**	**£**	*£*
Tax recoverable	8,837	-	-	8,837	*8,311*
Other debtors	2,570	16,469	-	19,039	*10,036*
Total	11,407	16,469	-	27,876	*18,347*

8. LIABILITIES

Amounts falling due within one year					
Accruals and deferred income	7,500	-	-	7,500	*7,500*
Other creditors	2,793	1,825	-	4,618	*11,611*
Total	10,293	1,825	-	12,118	*19,111*

9. FUNDS

9(a) Fund movements

	Fund balances brought forward	Incoming resources	Outgoing resources	Transfers	Gains and losses	Fund balances carried forward
Restricted Funds	**£**	**£**	**£**	**£**	**£**	**£**
Legacies Fund	64,641	95,642	(6,527)		-	153,756
Special Collections Fund	-	2,909	(2,909)	-	-	-
Hall Repair Fund	157,707	174	-	9,081	-	166,962
Music Society Fund	54,728	62,719	(54,408)	-	-	63,039
sub-total	277,076	161,444	(63,844)	9,081	-	383,757
Designated Funds						
Hall Management Fund	133,425	118,586	(85,327)	(9,081)	-	157,603
sub-total	133,425	118,586	(85,327)	(9,081)	-	157,603
General Funds						
General fund	1,871,958	351,459	(449,779)	25,700	-	1,799,338
Fair value reserve	390,000	-	-	-	17,500	407,500
Revaluation reserve	866,360	25,700	-	(25,700)	35,000	901,360
sub-total	3,128,318	377,159	(449,779)	-	52,500	3,108,198
Totals	3,538,819	657,189	(598,950)	-	52,500	3,649,558

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £17,500 (2020: £Nil). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation gain recognised in the current year of £35,000 is offset by a reserves transfer for £25,700 (2020: £8,333) in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £18,800 for 2021 (2020: £27,400).

A total of £13,100 (2020: £17,500) was given to 20 (2020: 19) charities operating in the UK, with a maximum of £1,250 each (2020: £1,000).

A total of £5,700 (2020: £9,945) was given to 10 UK charities which operate overseas (2020: 11), with a maximum of £750 each (2020: £1,000).

Special collections are also made with the proceeds being passed on to charities. A total of £2,909 (2020: £1,349) was donated to 3 charities in this way.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

England & Wales - Charity number 1131772

Accounts

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA

Registered Charity No. 1131772

ANNUAL REPORT

Year Ending 31 DECEMBER 2020

Parochial Church Council of St Luke, Battersea
Annual Report 2020

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

AIM AND PURPOSES

The Parochial Church Council of St Luke, Battersea (PCC) has the responsibility of cooperating with the Vicar to promote, in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the maintenance of the Church, the adjacent Community Hall and two residential properties within the parish.

OBJECTIVES AND ACTIVITIES

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within the parish. Our services and worship put faith into practice through prayer, scripture, preaching, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the Gospel; and developing their knowledge and trust in Jesus Christ.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the Church of St Luke, the Community Hall and the two residential properties.

ACHIEVEMENTS AND PERFORMANCE

Worship and Ministry

The Vicar's Report

This past year has been an odd mix of dizzying change and boring domestic inertia, the former being caused by the latter. It has been dominated, whether we deplore it or not, by the Covid-19 pandemic. In many ways, the current year still is dominated by the pandemic and, although we are beginning to see a way out of this, it seems that such viruses are a reality we will have to live with for the foreseeable future. I appreciate that not all the decisions that I have taken have been seen as helpful by everyone, every time, but I hope

that they have been considerate. At the beginning of the lockdown, many wrote to say that we could not start livestreaming soon enough whereas near the end, many wrote that they felt the church was being over-cautious and hid under a rock as people could not wait to go back to church. It has been a delicate line to walk, and I would like to apologise for any frustration or fear my decisions may have caused. These were challenging times. It was difficult to make the right call. Putting the congregation's health and safety first, the church was closed for public services when we felt it was necessary, but the decision was not taken lightly. Thank you for your patience and understanding.

This said, the virus forced us to innovate. We upgraded our welcoming capacity on Zoom quickly and began livestreaming from home first, then gradually, from church. A legacy enabled us to make a long overdue investment to upgrade our sound and video capabilities, which will enhance our online offering to those at home.

And keep in touch we did. Our pastoral leadership team divided the parish into 'phoning districts' so that we could keep in touch with the more isolated and volunteers came forward to offer help to those who needed it. Sarah McLaughlin and I, at first, began delivering the newsletter at home to those who were homebound or lacked the ability to print it or stay in touch via Zoom. Yunghee then took over Sarah's duties.

I would like to take this opportunity to thank the churchwardens Sarah and David wholeheartedly. The former for her stalwart pastoral commitment. She has kept her finger on the pulse of the parish and helped in any way she could, even when faced with huge demands at home. David must be thanked for taking such a legendary lead in enabling us to film, record and stream services from church, whilst continuing to work full time.

The Thursday Meditation Class and the Study Group on the Gospel according to Matthew both continued online, as well as Bereavement Groups, led by Liz Freeman and Gilly Black, who did a great job in creating a safe and comfortable space for everyone who joined.

The 9am service has also continued creatively online. It is well attended by families who are engaging with our songs and storytelling, often over breakfast. Again, I must thank Ali Roche and Jordan Theis for making this possible and singlehandedly for their expertise and keeping in touch with our young people with fun and games. Without them, hosting and enabling our virtual worship, it simply could not have happened. It has been a lifeline to many families who have had to work from home and live in each other's pockets for months.

Throughout our online services and our times in church, I am grateful to the talented and committed flower team whose handiwork is such a welcome sight. When we were able to return to church, our thanks must go to the cleaning team for ensuring the church was ready to greet us.

Derek Carden and our choir must also be included in this chorus of thanks: I am massively grateful for their creativity and for the time and dedication taken to record and beautify our worship in these strange times. Amanda Palengat's name must also come up for a special mention, as she kept a vigilant eye on the safety regulations and kept the hall and church going safely and smoothly.

Yunghee's arrival has been such a blessing on every pastoral front. She had to become a 'jack of all trades' in such a short time when people were at their most private and yet managed to meet everyone in no time. She rekindled Evening Prayer in October last year. Attendance is increasing, both in church and online.

To most calamities, there is a silver lining. The lockdown forced us to innovate and we can now use these innovations for outreach! Yunghee and I intend to carry-on livestreaming most of our services. This will enable people who are housebound or now live away from St Luke's, relatives abroad and all manners of folks to share in our worship. We are convinced

that the schools will welcome the installation of our new sound system as their pupils' families often have busy, cosmopolitan families who could not otherwise join in our weekly worship.

Future Plans

We used our quieter time to bring together over 70 members of the congregation into a number of discussion groups, the outcomes of which have largely formed our Mission Action Plan. I am delighted that we have taken first, small steps towards implementing aspects of it where we are able. Priority must now be given to welcoming back the schools, choirs and various groups who used to worship with us and re-connect with the many individuals and families who have felt unable to join us in virtual worship and socials, as they are utterly 'Zoomed out' or simply dislike online worship. The re-building of Junior Church will begin with a widespread parents' and carers' survey. We would like to listen to their priorities as we look to reconstruct everything from scratch. The same holds true of our re-launching of the Junior Church Choir and Community Youth Choir. We intend to revise the terms of Jordan's employment so as to enable him to carry on with the fantastic amount of youth work he has begun to do during the lockdown.

Pastoral Care

St Luke's Pastoral Leadership Team (PLT) co-ordinates care and prayer for those of all ages in need in the local community. With the onset of Covid-19 and the first national lockdown, the PLT coordinated contacting everyone on the parish roll to determine whether assistance was needed, and compiled a list of volunteers willing to assist those who were sheltering. As the country moved through lockdown, and in response to the Mission Action Plan, the PLT updated and culled the database, with a view to establishing a network of street reps as the situation allows.

The ways in which the parish, including the PLT, operates moved to online formats during the year, so that events such as the Freedom Group have been replaced by the weekly coffee hour on Zoom on a Wednesday morning, and the Christmas Café Carols of 2019 became an online event. What has not been affected by covid-19 and continues as an important ministry is the Prayer Chain, coordinated by Jenny Bailey, who updates the list as advised by the clergy and the Pastoral Leadership Team. She sends the list out monthly to a faithful team who pray regularly for those in need.

Youth and Children

Through to March 2020, we continued to run Junior Church and Junior Choir under the continued stewardship of Sally Newman and Jordan Theis respectively during the regular 10.00 am Service. Sparklers, the group for the youngest children, remained in the Lower Vestry with parents able to join them. The play area in church was appreciated by parents and young children and made good use of during the service.

In March the Covid-19 pandemic required the church to close its doors to the congregation, schools and wider public. Our 9.00 am Family Service was taken online from April and during the year has continued to grow with at least a dozen families regularly joining us online for services, including grandparents living overseas.

To replace the popular Games Nights for children and young people, which could not take place in our Community Hall, staff members Jordan Theis and Alison Roche took to Zoom and have held regular Film Quizzes for young people and families throughout the year.

2020 saw Messy Church continue. We held a Christingle Messy Church in February building on the success of previous craft and activity sessions, with children, parents and volunteers able to take part in a range of activities, including making their own Christingles,

before coming together at the end for an act of worship. In May we invited people to use the Messy Church at Home for VE Day.

Play and Pray on a Wednesday and Playgroup on a Thursday

For the first term of the year (Jan to March), these continued to go from strength to strength until they could not be held in person. At the beginning of the pandemic, we held a Weekly Get Together for Little Ones on a Thursday afternoon until end of August. This was replaced later in the autumn by the now regular Tales, Pray & Play on a Wednesday morning. There are two stories for the children (under 3's), one biblical and one secular. There is singing and we close with prayers. At Christmas, we told the Christmas story and sang lots of carols in an online 'Carolling Along Online' service.

During this very strange year we have tried to stay engaged with the youth and children and their families through a variety of services and activities, and we look forward to building on some of the successes as we return to in person events.

Youth Music at St. Luke's

The closure of schools and national lockdowns resulted in scant opportunities for young people to be involved in collective music making during 2020, the impact of this most visibly in the absence of our Junior Choir at weekly worship either online or when in church.

This is not to say that youth music making came to a complete stop. Our 9.00 am family service has grown considerably during the year. We all sing together online from our homes whilst demonstrating an endless variety of creative actions. Members of Junior Choir have recorded anthems for our fledgling online services and participated in the online Christmas services. We were fortunate to offer singing in church for young people during October, but this was halted under the renewed restrictions of the new year.

Social Events

The only social event of 2020 was a successful 'Safari Supper' organised by the Welcomers team. Over 50 people attended and as always, it provided an opportunity for the newer and more experienced members of the congregation to get to know each other better. Far too many canapés were provided at the back of the church to kick everybody off before guests went 'on safari' to their hosts where the hospitality continued. A good time was had by all.

Christmas Market 2020

This year, determined not to be beaten by Covid-19, the team took up the challenge and built the St Luke's Christmas Market shop online. The community rallied – making, cooking and baking to deliver a massive range of jams, preserves, cakes and baked goods, beautiful handmade masks and children's activity packs. We stocked a small variety of gifts, largely from local vendors, as well as plants, decorations and Christmas trees. Joyful teams of volunteers packed and distributed all the orders over two days at the beginning of December, with a 'click and collect' option too. Despite all obstacles, as a community we pulled together delivering a fun but Covid-19 safe event and raising an extraordinary £7,500.

Work in the Community

Use of the Community Hall

The year started as busy as usual with regular and one-off hirers as well as providing a shelter on Sunday nights to a group of homeless men and women. By 20th March the Hall was in lockdown and stayed that way until 1st June when our two nursery schools returned.

Since July other regular hirers have been in and out, lockdowns permitting, but in order to keep bubbles apart, the Hall has been unable to operate at full capacity. We hope all our regular hirers will return when permitted. Since 20th March there have been no social functions.

Glass Door

St Luke's continues to support the work of Glass Door (glassdoor.org.uk), a charity that helps people experiencing homelessness. For the last 4 years, our volunteers have provided an evening meal and overnight accommodation in the Community Hall for up to 35 guests. This year, due to Covid-19 it has not been possible to provide overnight accommodation at churches, but over 40 volunteers from the St Luke's congregation and community are continuing to provide meals to guests every Sunday.

In October, five members of the St Luke's congregation took part in the Glass Door annual sleepout fundraiser, sleeping outside on what turned out to be the wettest night since records began! Thanks to the generosity of family and friends at St Luke's and beyond, we raised over £5,000 to support the charity's work.

Wandsworth Foodbank

St Luke's has continued its support of Wandsworth Foodbank with our monthly deliveries in the early part of the year. As the year progressed, with much reduced attendance in church and subsequently no congregation at all by the end of the year, our contribution has been severely limited. However, several members of the congregation have decided to make financial contributions instead which has been much appreciated. Wandsworth Foodbank itself moved out of St Mark's Battersea Rise and found more practical accommodation (although temporary) just across Wandsworth Bridge. Demand grew during lockdown and all their support of families has been done by deliveries from the base. The second lockdown enabled our support to restart on a weekly basis and the generous contributions from members of the congregation and the community have been warmly received at the Foodbank.

Charitable Grants

St Luke's Charitable Grants Committee allocated the full budget of £27,400 in 2020. St. Luke's supported 10 overseas based charities, 19 local charities and 1 one off donation.

We continued to have increased applications for support and there was strong evidence that the majority of the existing charities that we support were under increased pressure at a time when their funding and income were reduced because of the effects of Covid-19. For example, from a visit to Spires it was evident that they were overwhelmed and seeing significant increase in requests for their services due to users losing their jobs, family breakdowns and housing issues.

We began supporting City Harvest in 2020 who distribute surplus food from segments of the food industry, including supermarkets, grocers, manufacturers and the catering industry. Over 4,000 tonnes of food have been rescued and redistributed to the increasing number of hungry and disadvantaged Londoners during the pandemic.

We continue to support international charities, for example, poor people in South India. The charity we funnel our donation through has changed its name from Poor People in South India to Building Better Futures International, reflecting its vision.

A one-off donation was £500 to Pinkney Ward at St. George's Hospital at the request of the Van Klaveren family whose young daughter has had treatment there.

We will have reduced funding to £18,800 in 2021 so some hard decisions will have to be made and some donations necessarily cut. There is a board at the back of the church which features all the charities we currently support so I would encourage everyone to look at it.

St Luke's Music Society

2020 was a very different year for St Luke's Music Society. However, we were delighted to be able to have 5 live concerts during the year with performers such as pianists Barry Douglas and Steven Osborne, guitarist Milos, folk/comedy group Budapest Cafe Orchestra and Tasmin Little's emotional final London concert before her recent retirement. As usual we had excellent audiences for all of the concerts and we managed to arrange two evenings with two concerts of socially distanced audiences in October and December. Between April and July, we ran a series of weekly conversations with mainly young musicians under the title Lockdown Divertimenti which proved very popular with lovely Friends of St Luke's Music Society who donated very generously towards the fees that we were able to offer the young struggling musicians.

During 2020, we also established a strong relationship with Wandsworth Music which works with students every Saturday morning in Burntwood School across musical genres.
The Music Society continued to make a surplus for the year and retains reserves in the church accounts of £54.7k.

Christian Aid

Like so many things in 2020 Christian Aid week could not be held as originally planned. We missed the Rich/Poor Supper, wine tasting, coffee mornings, home-made bread, plant sales and the car washing. Street collections were impossible.

Unfortunately, we do not know how much St Luke's collected as most donations were made online directly to Christian Aid. More importantly, despite all the problems, Christian Aid raised over £4 million pounds in their 2020 appeal.

A big thank you to Alex Noble and Barbara Cuthbert for the local "Round Churches Walk". It was great fun and a lot was learnt from walking round and finding one or two churches locally of which we had previously been unaware. It provided a great diversion in the middle of the first lockdown. The weather was wonderful but anxiety was high and walking helped.

Enormous thanks must go to Libby Spurrier and Richard Balcer who have been a great support to Gillian Robinson in her first year co-ordinating Christian Aid on behalf of St Luke's.

OUR BUILDINGS

The Community Hall
The Hall Management Committee took advantage of the hall being empty during the first lockdown and agreed to all the communal areas, as well as the scheduled Shepherd Hall and Oak Room, being decorated. The permanently muddy area in the Garth, down the south side of the Shepherd Hall, was paved: an improvement particularly welcomed by Nightingale Nursery which uses that side access daily. Where necessary, the Garth trees were cut back. There have been no other significant hall projects.

Church Fabric
The works to repair the dwarf wall and railings at the corner of Thurleigh and Ramsden Roads finally started in July. The wall has been replaced and the London plane tree causing the damage pollarded but the railings, due to Covid-19, are still at the blacksmith's forge in Wiltshire. It is hoped that they will be reinstated in the first half of 2021. The sound system and Wi-Fi was upgraded towards the end of the year, after receiving an interim faculty from

the DAC in recognition of the need to be able to live-stream services during lockdown. The sound system continues to be a work in progress due to the delay in receiving all the necessary components but will hopefully be fully functioning by Easter 2021. Storm Dennis, in February 2020, brought down the flagpole on the Tower but thankfully did not cause any damage to anything else. The flagpole is in the throes of being repaired and will hopefully be reinstated soon. The mobile telecommunications equipment continues to require constant monitoring and maintenance by the network company and the gale break covering the arches, to keep unwelcome objects and birds away from the equipment, was repaired in October.

Canford Road
The tenants of three years moved out in July 2020 and the house was prepared for St Luke's Associate Priest and family to move in at the end of August. Between tenants, the kitchen ceiling was replastered and the master bedroom recarpeted, the latter paid for by the outgoing tenants. Otherwise, the house was generally in good order, requiring minimal freshening up. In December the mains water supply pipe showed signs of a leak between the pavement and the house and was replaced 3 days before Christmas.

Wroughton Road
The top, 1st floor flat remains occupied by the same rent controlled long term tenant. The ground floor flat was sold during the year which revealed that the two flats shared a stop cock located inside the ground floor flat. The top floor flat now has its own stop cock. Minor work was also carried out to the windows but there has been no significant capital outlay during the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Vicar, the churchwardens and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services, as members of the congregation, are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are 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 PCC met nine times during the year, with eight of those meetings held using Zoom. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. The committees are as follows:

Charitable Grants (formerly Mission & Outreach)
Christmas Market
Communications
Finance
Hall Management
Health and Safety
Pastoral Leadership
Stewardship
Welcomers

Each committee reports back to the PCC regularly highlighting items which require PCC discussion or decision.

In addition, the Standing Committee, made up of the Vicar, Churchwardens and Treasurer, has the power to transact the business of the PCC between its meetings subject to any directions given by the Council. This committee meets prior to each PCC meeting to consider outstanding issues and plan the PCC Agenda.

The Safeguarding Officers (Child Protection) are Christine Lucia and Alison Roche. They are responsible for ensuring that a Disclosure Barring Service search is conducted on all those who work with children and vulnerable adults in the church. They are also responsible for the safeguarding of vulnerable adults in the church.

Risk assessments received their regular annual review. The Premises Manager and Church Wardens have been designated as the responsible persons with regard to fire safety and the Premises Manager ensures that the fire extinguishers are maintained annually. Health and safety risk assessments and fire risk assessments are undertaken at regular intervals.

RISK ASSESSMENT

The PCC confirms that the major risks to which the Council has been exposed were identified by risk analysis exercises. The risks identified and steps taken to mitigate these risks are as follows:

- *Property fire or theft*. Insurance cover is maintained against both these risks. Fire inspections are carried out annually by a suitably qualified and experienced professional and fire extinguishers are tested and replaced as advised.

- *Liability of trustees*. Trustees' indemnity insurance cover is maintained.

- *Misappropriation of funds*. The budgeted expenditure for each year is approved by the full PCC. The amounts of cash held at any one time are not material to the Parish. Two signatories are required for all cheques and to authorise online payments. All matters involving significant unbudgeted expenditure are put to the full PCC.

- *Revenue falling below committed expenditure*. The Finance Committee operates a system of monitoring both income and expenditure throughout the year. Any anticipated deficit is addressed through a review of committed expenditure and sources of income including voluntary giving.

- *Allegations of inappropriate behaviour against persons acting on behalf of the parish*. The parish subscribes to the Diocesan scheme for screening all those involved in children's and youth work and work with vulnerable adults, including DBS checks. As is set out in 'A Safe Church', activities are structured in a way that minimises the potential for abuse or allegations of abuse to arise.

- *Covid-19.* Regular risk assessments were carried out during the year as the Church re-opened for public worship under various restrictions. Both Government and Church of England guidance was adhered to, in terms of social distancing and elements of the Eucharist services, including communion, the use of choirs, track and trace information, and entry and exit points for the building.

FINANCIAL REVIEW

Key financial outcomes for the church are considered to be:

Total income for the year: £494.0k (2019: £592.8k)

Surplus/deficit for the year, before fair value gains: -£154.5k (2019: -£17.7k)

Net current unrestricted funds: £156.2k (2019: £169.8k)

During the year, the General Fund expenditure was £427.2 comprising £378.0k of church operating costs and £49.2k of depreciation of fixed assets. The income for the year was £364.4k giving a shortfall compared to operating costs of £13.6k excluding depreciation, very similar to 2019. Revaluation of our two residential investment properties resulted in a fair value gain of £8.3k and together with £50.0k transfer from the legacy fund for the sound system as a fixed asset gave a net decrease in the General Fund of £4.5k.

The Hall Management Fund decreased by £65.0k. The operation of the hall made a small surplus of £2.6k excluding the work to repair the external railings (£54.5k) and excluding the transfer of £13.1k to the Hall Repair Fund.

From the Legacies Fund £68.7k was expended, mainly on the installation of a new sound and live streaming system.

Church Income and Expenditure (General Fund)

During 2020 our income stream was challenged by Covid-19. Regular stewardship giving held up well but income from envelopes and cash from collections at services was severely reduced when the church was closed or congregations limited in numbers. Voluntary giving from these sources was £190.7k compared to £215.4k in 2019. A Christmas Appeal to replace lost income raised £11.1k and we received £8.5k from two charitable trusts. Also £7.2k was received from the government job retention scheme for our children's worker who was on furlough for part of the year.

Lettings income for the church was down by £13.9k to £19.9k compared to 2019 (£33.8k) and the rent for our Canford Road house stopped in mid-year when our Associate Priest moved in.

As always, the largest component of our expenditure was the Parish Support Fund at £188.0k. This is used by the Diocese to pay clergy salaries, housing and other expenses and for diocesan staff and activities and as a well-off congregation, we rightly continued to help poorer ones. This was a reduction of £40.0k from 2019 negotiated with the diocese to allow for the costs of stipend, pension and housing for our Associate Priest starting work in the middle of 2020.

Charitable giving was in two parts: our regular giving was held at the same amount as 2019 (£27.4k) plus the collections made from time to time for specific charities (£1.3k). Church running costs included the cost of the part-time children's worker. Church building maintenance costs and other running costs were reduced as a result of Covid-19 restrictions.

For 2021 we have kept our pledge to the diocese Parish Support Fund at £188k. Overall church running expenses are expected to increase to £385.0k before adding hall depreciation and this could lead to an increased deficit for the year of £45.0k. We are holding a planned giving campaign early in the year and aiming to increase our stewardship income from the present level by £12.5k plus associated Gift Aid tax refund of £2.5k, with the objective of reducing this deficit.

The Community Hall (Hall Management Fund)

During 2020 the operation of the hall cost £88.6k excluding the work to repair the external railings and made a contribution to the hall repair fund of £13.1k. The hall lettings income was much reduced by Covid-19 restrictions at £90.8k. The work to the external railings cost £54.5k and this was paid for from the Hall Management Fund. Total outgoings for the hall are expected to be £112.0k in our 2021 budget.

Planned Giving

The continued thrust of Stewardship in the year was the Planned Giving campaign in Lent. The campaign proved successful raising over £24.0k from increased promises and one-off donations excluding Gift Aid. 78 responses were received, which is lower than previous years. This can be partly explained by the move into lockdown midway through the campaign. Overall, this was a very satisfactory result, particularly in the circumstances, and the Stewardship Committee are very grateful to the congregation. This was the first year of the Planned Giving campaign under Russ Hulett's chairmanship and the campaign themes focussed on young people and families and St Luke's contribution to the Diocese through the Parish Support Fund.

RESERVES POLICY

General Fund
Ideally, we would maintain reserves equal to six months' church running expenses, i.e. £192.5k (50% of our 2021 budget). At 31st December 2020, our unrestricted funds net current assets were £156.2k, which is sufficiently close to this target.

Designated Fund
Ideally, we would maintain reserves equal to six months' hall running expenses, i.e. £56.0k (50% of our 2021 budget). At 31st December 2020, our designated funds net current assets were £133.4k, which more than meets our target.

Our reserve funds are invested in the CBF Church of England Deposit Fund, Virgin Money charity account and the Manchester Building Society.

In these unprecedented times caused by the Covid-19 pandemic the PCC believes it has adequate reserves and cash to enable it to continue to meet its liabilities as they fall due for the foreseeable future. The PCC will continue to monitor the situation and manage expenditure on an on-going basis.

ADMINISTRATIVE INFORMATION

St. Luke's Church Battersea is situated on the corner of Ramsden Road and Thurleigh Road in London SW12. It is part of the Diocese of Southwark within the Church of England. The correspondence address is:

St Luke's Church Battersea
The Parish Office
194 Ramsden Road
London SW12 8RQ

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in this report as the PCC. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006). St Luke's was registered with the Charity Commission in September 2009, Registration No.1131772. The members of the PCC are the trustees of the charity.

Vicar: Reverend Lorenzo Fernandez-Smal

Associate Priest *(from June 2020)*: Reverend Yunghee Koh

Children's Worker: Sally Newman

Parish Office: Amanda Palengat and Alison Roche

Church Wardens: Sarah McLaughlin, Sophie Picken *(until March 2020)* and David Seward *(from April 2020)*

Deputy Church Wardens: Roger Black, Andrew Cheeseman, Sophie Picken, Maralee Vezie, James Vyvyan

Deanery Synod Representatives:
Claire Goddard, James Vyvyan, Jenny Bailey

Parochial Church Council: Vicar, Associate Priest *(from June 2020)*, Church Wardens, Deanery Synod Representatives, Craig Abouchar, Jenny Bailey, David Barttelot, Sarah Bourke, Alice Lamb, John Lucia, Katie Ryan, Maralee Vezie,

Russell Hulett, Sally Maclean, Simon Picken, Michelle Reynolds *(all until March 2020)*

Cynthia Poole, Tim Sanders-Hewett, Sarah Walker, Timothy Walker *(all from July 2020)*

PCC Treasurer: John Lucia
PCC Secretary: Alice Lamb
Electoral Roll Officer: Alison Roche
Director of Music: Derek Carden

Junior Choir Director: Jordan Theis

Safeguarding Officers: Christine Lucia and Alison Roche

Health and Safety Officer: Catriona Patel

Auditor: Wellden Turnbulll Limited

Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Parochial Church Council (PCC), who act as the trustees, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:
`

a) select suitable accounting policies and apply them consistently;
b) observe the methods and principles in the Charities SORP;
c) make judgments and estimates that are reasonable and prudent;
d) state whether applicable accounting standards have been followed, subject to any

material departures disclosed and explained in the financial statements;

e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The PCC are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In so far as the PCC are aware:

- there is no relevant audit information of which the church's auditor is unaware; and
- the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees on 6th April 2021 and signed on their behalf by Revd Lorenzo Fernandez-Smal (PCC Chairman).

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2020

Contents **Page**

Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2020 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 19.05.2021

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2020

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
INCOME FROM:						
Donations and legacies	2(a)	275,365	-	1,349	**276,714**	*269,663*
Activities for generating funds	2(b)	59,340	90,814	36,511	**186,665**	*270,971*
Investments	2(c)	26,401	357	561	**27,319**	*43,934*
Church activities	2(d)	3,294	-	-	**3,294**	*8,189*
Total		364,400	91,171	38,421	**493,992**	*592,757*
EXPENDITURE ON:						
Raising funds	3(a)	8,785	-	57,186	**65,971**	*79,768*
Church activities	3(b)	418,394	143,108	20,990	**582,492**	*530,699*
Total		427,179	143,108	78,176	**648,463**	*610,467*
Net income (expenditure)		(62,779)	(51,937)	(39,755)	**(154,471)**	*(17,710)*
Transfers between funds	9	50,000	(13,075)	(36,925)	**-**	-
Net income before investment gains		(12,779)	(65,012)	(76,680)	(154,471)	(17,710)
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	8,333	-	-	**8,333**	-
Net gains/(losses) on investments	6(b)	-	-	-	**-**	*245,000*
Net movement in funds		(4,446)	(65,012)	(76,680)	**(146,138)**	227,290
Reconciliation of funds						
Total funds brought forward	9	3,132,764	198,437	353,756	**3,684,957**	*3,457,667*
Total funds carried forward	9	3,128,318	133,425	277,076	**3,538,819**	*3,684,957*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2020

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
FIXED ASSETS						
Tangible assets	6(a)	1,282,141	-	-	1,282,141	*1,272,973*
Residential property for church use	6(b)	1,250,000	-	-	1,250,000	-
Investment properties	6(b)	440,000	-	-	440,000	*1,690,000*
Total fixed assets		2,972,141	-	-	2,972,141	*2,962,973*
CURRENT ASSETS						
Debtors	7	12,824	5,523	-	18,347	*44,255*
Cash at bank and in hand		156,981	131,885	278,576	567,442	*701,776*
Total current assets		169,805	137,408	278,576	585,789	*746,031*
LIABILITIES						
Creditors: amounts falling due within one year	8	13,628	3,983	1,500	19,111	*24,047*
Net current assets		156,177	133,425	277,076	566,678	*721,984*
TOTAL NET ASSETS		3,128,318	133,425	277,076	3,538,819	*3,684,957*
PARISH FUNDS						
Unrestricted funds	9	3,128,318	-	-	3,128,318	*3,132,764*
Designated funds	9	-	133,425	-	133,425	*198,437*
Restricted funds	9	-	-	277,076	277,076	*353,756*
Total funds		3,128,318	133,425	277,076	3,538,819	*3,684,957*

Approved by the Parochial Church Council on 12th May 2021 and signed on its behalf by:



Revd Lorenzo Fernandez-Smal, Vicar



John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2020

	2020		2019	
	£	£	£	£
Net cash from/(used in) operating activities*		(111,653)		(40,449)
Cash flows from investing activities				
Purchase of tangible fixed assets	(50,000)			
Interest and rent from investments	27,319		43,934	
Net cash provided by/(used in) investing activities		(22,681)		43,934
Change in cash and cash equivalents in the reporting period		(134,334)		3,485
Cash and cash equivalents at 1 January		701,776		698,291
Cash and cash equivalents at 31 December		567,442		701,776
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(154,471)		(17,710)
Adjustments for:				
Depreciation charges		49,165		28,332
Interest and rent from investments		(27,319)		(43,934)
Decrease/(increase) in debtors		25,908		(7,199)
(Decrease)/increase in creditors		(4,936)		62
***Net cash from/(used in) operating activities**		(111,653)		(40,449)
Analysis of cash and cash equivalents				
Bank current accounts		169,174		143,597
Short term deposits		398,268		558,179
		567,442		701,776

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits with CBF Church of England Funds and with other major banks.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered 12 months from the date of authorisation of these financial statements and believe that the charity is able to meet its liabilities as they fall due for the foreseeable future. In their assessment, the trustees have taken into account the ongoing uncertain impact of the COVID-19 pandemic and the adequate cash reserves of the charity as well as its significant property portfolio, which could be used as either security for future funding or sold to boost cash reserves if required.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b)."

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	2,117	-	-	2,117	*1,252*
	Job Retention Scheme	7,218	-	-	7,218	*-*
	sub-total	9,335	-	-	9,335	1,252
	Voluntary giving					
	Stewardship & envelopes	185,729	-	-	185,729	*204,959*
	Loose cash	4,939	-	-	4,939	*10,392*
	Tax refund	46,791	-	-	46,791	*47,788*
	Donations, appeals etc.	28,571	-	1,349	29,920	*5,272*
	sub-total	266,030	-	1,349	267,379	*268,411*
	Total	275,365	-	1,349	276,714	*269,663*
2(b)	**Activities for generating funds**					
	Christmas market	11,201	-	-	11,201	*11,397*
	Church & hall lettings	19,938	90,814	-	110,752	*164,547*
	Antenna rent & cost of electricity	27,311	-	-	27,311	*23,711*
	Church musical & social activities	890	-	36,511	37,401	*71,316*
	Total	59,340	90,814	36,511	186,665	*270,971*
2(c)	**Investments**					
	Property lettings	24,643	-	-	24,643	*40,050*
	Interest	1,758	357	561	2,676	*3,884*
	Total	26,401	357	561	27,319	*43,934*
2(d)	**Church activities**					
	Parochial fees received	3,294	-	-	3,294	*8,189*
	Total	3,294	-	-	3,294	*8,189*
	Total	**364,400**	**91,171**	**38,421**	**493,992**	*592,757*

3. EXPENDITURE ON:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
3(a)	**Raising funds**					
	Publicity and printing	3,720	-	-	3,720	*4,242*
	Christmas market	3,881	-	-	3,881	*2,294*
	Church musical & social activities	1,184	-	57,186	58,370	*73,232*
	Total	8,785	-	57,186	65,971	*79,768*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	27,445	-	-	27,445	*27,410*
	Special collections	-	-	1,349	1,349	*4,257*
	sub-total	27,445	-	1,349	28,794	*31,667*
	Ministry					
	Diocesan parish support fund	188,000	-	-	188,000	*228,000*
	Clergy costs	32,051	-	-	32,051	-
	Other staff costs	19,369	-	-	19,369	*22,483*
	Deanery synod & church schools	-	-	-	-	*2,300*
	Parochial fees paid to diocese	1,535	-	-	1,535	*3,150*
	Nightshelter costs	-	-	-	-	*2,000*
	Other expenses incl petty cash	615	-	-	615	*2,788*
	sub-total	241,570	-	-	241,570	*260,721*
	Church expenses					
	Repairs & maintenance	18,307	-	-	18,307	*29,349*
	Insurance	7,876	-	-	7,876	*7,764*
	Utilities incl antenna electricity	19,871	-	-	19,871	*21,419*
	Cost of services incl music	13,712	-	-	13,712	*13,683*
	Sound system installation	-	-	14,398	14,398	*5,032*
	Sound system depreciation	12,500	-	-	12,500	-
	sub-total	72,266	-	14,398	86,664	*77,247*
	Community Hall expenses					
	Hall improvements & major works	-	6,692	5,243	11,935	*15,429*
	Insurance	-	1,694	-	1,694	*1,783*
	Running expenses incl utilities	-	50,273	-	50,273	*55,014*
	External railings renewal	-	54,519	-	54,519	*7,677*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	113,178	5,243	146,753	*108,235*
	Property expenses					
	Repairs & maintenance	10,653	-	-	10,653	*2,220*
	Utilities & letting costs	1,661	-	-	1,661	*525*
	Insurance	(1,067)	-	-	(1,067)	*1,756*
	Depreciation on 30 Canford Road	8,333	-	-	8,333	-
	sub-total	19,580	-	-	19,580	4,501
	Administration					
	Salaries & wages (office)	17,681	28,414	-	46,095	*34,195*
	Telephone, postage, website etc.	2,403	1,449	-	3,852	*3,631*
	Professional fees	8,239	-	-	8,239	*9,236*
	Bank charges	878	67	-	945	*1,266*
	sub-total	29,201	29,930	-	59,131	*48,328*
	Total	418,394	143,108	20,990	582,492	*530,699*
	Total	**427,179**	**143,108**	**78,176**	**648,463**	*610,467*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £7,500 (£8,400 in 2019) and payroll services of £739 (£716 in 2019).

5(a) STAFF COSTS

	2020	*2019*
	£	*£*
Gross wages, salaries and benefits in kind	65,629	59,961
Employer's pension contributions	2,619	2,392
Employer's National Insurance costs	4,457	-
less Job Retention Scheme grants received	(7,218)	-
Total staff costs	65,487	*62,353*
Average number of employees in the year (including part time staff)	4	*4*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020: £2,619, 2019: £2,392).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000.

During the year the church received £7,218 under the Coronavirus Job Retention Scheme for furloughed employees, which is presented within grant income in the SoFA.

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration.
During the year the church reimbursed expenses of £190 (£577 in 2019) for 2 PCC members (5 in 2019) for flowers and fund raising materials.

For our Associate Priest £24,968 was paid to the diocese for her stipend, pension and other costs. In addition £6,292 was paid to her previous parish for accomodation for 3 months and £510 was paid to her for reclaimable expenses.
The house in Canford Road was being lived in by our Associate Priest and family rent free from September 2020. This private benefit equates to £31,200 per annum, being the market value of rent for the property if it were to be let commercially based on the previous lease which expired in August 2020.
There are no other PCC transactions during the period (2019: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward	275,000	-	275,000
	Land around Community Hall Balance brought forward	1,416,620	7,906	1,424,526
	Community Hall Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	418,648	7,905	426,553
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	446,980	20,405	467,385
	Net book value			
	At 1 January 2020	1,272,972	1	1,272,973
	At 31 December 2020	1,244,640	37,501	1,282,141

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	**2020**	*2019*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest (from August 2020)			
Revalued amount	Balance brought forward	-	
	Transfer from investment property	1,250,000	
	Balance carried forward	1,250,000	
Depreciation	Balance brought forward	-	
	Depreciation charge for year 2% on 30 Canford Road for 4 months	8,333	
	Elimination on revaluation	(8,333)	
	Balance carried forward	-	
	Net book value		
	At 1 January 2020	**-**	
	At 31 December 2020	1,250,000	-
Investment properties			
30 Canford Road - house for commercial letting (up to August 2020)		-	*1,250,000*
5a Wroughton Road - tenanted flat		440,000	*440,000*
	Total	440,000	*1,690,000*

Reconciliation to brought forward:

Balance brought forward	1,690,000
Transfer of 30 Canford Road to residential property for church use	(1,250,000)
Net gain from fair value adjustments	-
Additions / disposals	-
	440,000

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2021, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations are based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuations at January 2021 represent the fair values of the residential properties held at 31 December 2020 in all material respects.

The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 30% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £440,000.

The house in Canford Road ceased being let comercially in August 2020 and is now lived in by our Associate Priest and family rent free. It has therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £15k based on an original cost of £63k in 1983.

7. DEBTORS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2020	*2019*
	£	£	£	£	*£*
Tax recoverable	8,311	-	-	8,311	*13,016*
Other debtors	4,513	5,523	-	10,036	*31,239*
Total	12,824	5,523	-	18,347	*44,255*

8. LIABILITIES

Amounts falling due within one year					
Accruals and deferred income	7,500	-	-	7,500	*17,700*
Other creditors	6,128	3,983	1,500	11,611	*6,347*
Total	13,628	3,983	1,500	19,111	*24,047*

9. FUNDS

9(a) Fund movements

Restricted Funds		Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Fund balances carried forward £
Legacies Fund		133,374	-	(18,733)	(50,000)	-	64,641
Special Collections Fund		-	1,349	(1,349)	-	-	-
Hall Repair Fund		149,314	561	(5,243)	13,075	-	157,707
Music Society Fund		71,068	36,511	(52,851)	-	-	54,728
	sub-total	353,756	38,421	(78,176)	(36,925)	-	277,076
Designated Funds							
Hall Management Fund		198,437	91,171	(143,108)	(13,075)	-	133,425
	sub-total	198,437	91,171	(143,108)	(13,075)	-	133,425
General Funds							
General fund		1,876,404	364,400	(427,179)	58,333	-	1,871,958
Fair value reserve		1,256,360	-	-	(866,360)	-	390,000
Revaluation reserve		-	8,333	-	858,027		866,360
	sub-total	3,132,764	372,733	(427,179)	50,000	-	3,128,318
Totals		3,684,957	502,325	(648,463)	-	-	3,538,819

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £nil (2019: £245,000). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation gain recognised in the current year of £8,333 is offset by a reserves transfer for the same amount in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £27,400 for 2020.

A total of £17,500 was given to 19 charities operating in the UK, with a maximum of £1,000 each.
A total of £9,945 was given to 11 charities operating overseas, with a maximum of £1,000 each.

Special collections are also made with the proceeds being passed on to charities. A total of £1,349 was donated to three charities in this way.

PAROCHIAL CHURCH COUNCIL OF ST LUKE, BATTERSEA
Registered Charity No. 1131772

FINANCIAL STATEMENTS
YEAR ENDING 31 DECEMBER 2020

Contents **Page**

Independent Auditor's Report	1
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST LUKE, BATTERSEA

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Parochial Church Council (PCC) is responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion**:**

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement in the Annual Report for 2020 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business; and
- Reviewing accounting estimates for bias, specifically in relation to property fair values and fixed asset useful lives.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the PCC, who act as the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the PCC as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Nelligan

Mark Nelligan (FCA) Senior Statutory Auditor
for and on behalf of
Wellden Turnbull Limited
Chartered Accountants and Statutory Auditors
Albany House, Claremont Lane, Esher, Surrey, KT10 9FQ

Date: 19.05.2021

Parochial Church Council of St Luke, Battersea
Statement of Financial Activities
For the year ending 31 December 2020

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
INCOME FROM:						
Donations and legacies	2(a)	275,365	-	1,349	**276,714**	*269,663*
Activities for generating funds	2(b)	59,340	90,814	36,511	**186,665**	*270,971*
Investments	2(c)	26,401	357	561	**27,319**	*43,934*
Church activities	2(d)	3,294	-	-	**3,294**	*8,189*
Total		364,400	91,171	38,421	**493,992**	*592,757*
EXPENDITURE ON:						
Raising funds	3(a)	8,785	-	57,186	**65,971**	*79,768*
Church activities	3(b)	418,394	143,108	20,990	**582,492**	*530,699*
Total		427,179	143,108	78,176	**648,463**	*610,467*
Net income (expenditure)		(62,779)	(51,937)	(39,755)	**(154,471)**	*(17,710)*
Transfers between funds	9	50,000	(13,075)	(36,925)	**-**	-
Net income before investment gains		(12,779)	(65,012)	(76,680)	(154,471)	(17,710)
Gains/(losses) on revaluation of fixed assets for the charity's own use	6(b)	8,333	-	-	**8,333**	-
Net gains/(losses) on investments	6(b)	-	-	-	**-**	*245,000*
Net movement in funds		(4,446)	(65,012)	(76,680)	**(146,138)**	227,290
Reconciliation of funds						
Total funds brought forward	9	3,132,764	198,437	353,756	**3,684,957**	*3,457,667*
Total funds carried forward	9	3,128,318	133,425	277,076	**3,538,819**	*3,684,957*

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Balance Sheet at 31 December 2020

	Note	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
FIXED ASSETS						
Tangible assets	6(a)	1,282,141	-	-	1,282,141	*1,272,973*
Residential property for church use	6(b)	1,250,000	-	-	1,250,000	-
Investment properties	6(b)	440,000	-	-	440,000	*1,690,000*
Total fixed assets		2,972,141	-	-	2,972,141	*2,962,973*
CURRENT ASSETS						
Debtors	7	12,824	5,523	-	18,347	*44,255*
Cash at bank and in hand		156,981	131,885	278,576	567,442	*701,776*
Total current assets		169,805	137,408	278,576	585,789	*746,031*
LIABILITIES						
Creditors: amounts falling due within one year	8	13,628	3,983	1,500	19,111	*24,047*
Net current assets		156,177	133,425	277,076	566,678	*721,984*
TOTAL NET ASSETS		3,128,318	133,425	277,076	3,538,819	*3,684,957*
PARISH FUNDS						
Unrestricted funds	9	3,128,318	-	-	3,128,318	*3,132,764*
Designated funds	9	-	133,425	-	133,425	*198,437*
Restricted funds	9	-	-	277,076	277,076	*353,756*
Total funds		3,128,318	133,425	277,076	3,538,819	*3,684,957*

Approved by the Parochial Church Council on 12th May 2021 and signed on its behalf by:



Revd Lorenzo Fernandez-Smal, Vicar



John Lucia, Treasurer

The notes on pages 7 to 17 form part of these accounts.

Parochial Church Council of St Luke, Battersea
Statement of Cash Flows
For the year ending 31 December 2020

	2020		2019	
	£	£	£	£
Net cash from/(used in) operating activities*		(111,653)		(40,449)
Cash flows from investing activities				
Purchase of tangible fixed assets	(50,000)			
Interest and rent from investments	27,319		43,934	
Net cash provided by/(used in) investing activities		(22,681)		43,934
Change in cash and cash equivalents in the reporting period		(134,334)		3,485
Cash and cash equivalents at 1 January		701,776		698,291
Cash and cash equivalents at 31 December		567,442		701,776
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(154,471)		(17,710)
Adjustments for:				
Depreciation charges		49,165		28,332
Interest and rent from investments		(27,319)		(43,934)
Decrease/(increase) in debtors		25,908		(7,199)
(Decrease)/increase in creditors		(4,936)		62
***Net cash from/(used in) operating activities**		(111,653)		(40,449)
Analysis of cash and cash equivalents				
Bank current accounts		169,174		143,597
Short term deposits		398,268		558,179
		567,442		701,776

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

1. ACCOUNTING POLICIES

1(a) General information and basis of preparation

The full name of the charity is "The Parochial Church Council of the Ecclesiastical Parish of St. Luke, Battersea" referred to in these accounts as the PCC and is registered with the Charity Commission, registration no. 1131772. Full details of the charity's legal form, address and other administrative information are included in the trustee's Annual Report.

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

1(b) Funds

General funds are unrestricted funds which can be used for PCC ordinary purposes. General funds also include a fair value reserve, which represents cumulative fair value gains on investment property.

Designated funds are unrestricted funds that are set aside by the PCC for specific purposes.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

1(c) Income recognition

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the income to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Interest is accounted for when receivable. All other income, including income from lettings, is recognised when it is receivable. All income is accounted for gross. The value of any voluntary help received is not included in the accounts but is described in the PCCs' annual report.

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

1. ACCOUNTING POLICIES (continued)

1(d) Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish support fund contribution is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

1(e) Fixed assets

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For assets acquired prior to 1999, there is insufficient cost information available and therefore such assets are not included in the financial statements.

Tangible fixed assets are accounted for at cost less depreciation.

1(f) Residential properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities (SoFA). Cumulative fair value changes are shown in a fair value reserve within General Funds.

Residential property held for church use is carried at fair value under the revaluation model less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation gains and losses are recognised in Other comprehensive income and held in a revaluation reserve, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in expenditure for the year in the SoFA.

1(g) Depreciation

Tangible fixed assets are depreciated as follows:

Buildings (Community Hall)	2% on cost
Equipment (Sound system)	25% on cost
Residential properties (Church use)	2% on revalued amount

Freehold land and investment properties are not depreciated.
The original equipment bought for the Community Hall was written off over 4 years. All replacement equipment is written off as the expenditure is incurred.

1. ACCOUNTING POLICIES (continued)

1(h) Current assets

Cash at bank and in hand includes short term deposits with CBF Church of England Funds and with other major banks.

1(i) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1(j) Leases

Rentals receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1(k) Employee benefits

The charity operates a 'cash balance' pension plan for the benefit of its employees. Contributions are expensed as they become payable. See Note 5(a) for further details.

1(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(m) Tax

The company is a registered charity and, therefore, is not liable to income tax or capital gains tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1(n) Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered 12 months from the date of authorisation of these financial statements and believe that the charity is able to meet its liabilities as they fall due for the foreseeable future. In their assessment, the trustees have taken into account the ongoing uncertain impact of the COVID-19 pandemic and the adequate cash reserves of the charity as well as its significant property portfolio, which could be used as either security for future funding or sold to boost cash reserves if required.

1. ACCOUNTING POLICIES (continued)

1(o) Judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the valuation of investment properties and residential property held for charity use, which are based on estimated fair values derived from independent market professionals, as set out in note 6(b)."

Parochial Church Council of St Luke, Battersea
Notes to the financial statements
For the year ending 31 December 2020

2. INCOME FROM:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
2(a)	**Donations and legacies**					
	Grants					
	LPOW (VAT refund on building works)	2,117	-	-	2,117	*1,252*
	Job Retention Scheme	7,218	-	-	7,218	*-*
	sub-total	9,335	-	-	9,335	1,252
	Voluntary giving					
	Stewardship & envelopes	185,729	-	-	185,729	*204,959*
	Loose cash	4,939	-	-	4,939	*10,392*
	Tax refund	46,791	-	-	46,791	*47,788*
	Donations, appeals etc.	28,571	-	1,349	29,920	*5,272*
	sub-total	266,030	-	1,349	267,379	*268,411*
	Total	275,365	-	1,349	276,714	*269,663*
2(b)	**Activities for generating funds**					
	Christmas market	11,201	-	-	11,201	*11,397*
	Church & hall lettings	19,938	90,814	-	110,752	*164,547*
	Antenna rent & cost of electricity	27,311	-	-	27,311	*23,711*
	Church musical & social activities	890	-	36,511	37,401	*71,316*
	Total	59,340	90,814	36,511	186,665	*270,971*
2(c)	**Investments**					
	Property lettings	24,643	-	-	24,643	*40,050*
	Interest	1,758	357	561	2,676	*3,884*
	Total	26,401	357	561	27,319	*43,934*
2(d)	**Church activities**					
	Parochial fees received	3,294	-	-	3,294	*8,189*
	Total	3,294	-	-	3,294	*8,189*
	Total	**364,400**	**91,171**	**38,421**	**493,992**	*592,757*

3. EXPENDITURE ON:

		General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	*2019 £*
3(a)	**Raising funds**					
	Publicity and printing	3,720	-	-	3,720	*4,242*
	Christmas market	3,881	-	-	3,881	*2,294*
	Church musical & social activities	1,184	-	57,186	58,370	*73,232*
	Total	8,785	-	57,186	65,971	*79,768*
3(b)	**Church activities**					
	Missionary & charitable giving					
	Mission and outreach	27,445	-	-	27,445	*27,410*
	Special collections	-	-	1,349	1,349	*4,257*
	sub-total	27,445	-	1,349	28,794	*31,667*
	Ministry					
	Diocesan parish support fund	188,000	-	-	188,000	*228,000*
	Clergy costs	32,051	-	-	32,051	-
	Other staff costs	19,369	-	-	19,369	*22,483*
	Deanery synod & church schools	-	-	-	-	*2,300*
	Parochial fees paid to diocese	1,535	-	-	1,535	*3,150*
	Nightshelter costs	-	-	-	-	*2,000*
	Other expenses incl petty cash	615	-	-	615	*2,788*
	sub-total	241,570	-	-	241,570	*260,721*
	Church expenses					
	Repairs & maintenance	18,307	-	-	18,307	*29,349*
	Insurance	7,876	-	-	7,876	*7,764*
	Utilities incl antenna electricity	19,871	-	-	19,871	*21,419*
	Cost of services incl music	13,712	-	-	13,712	*13,683*
	Sound system installation	-	-	14,398	14,398	*5,032*
	Sound system depreciation	12,500	-	-	12,500	-
	sub-total	72,266	-	14,398	86,664	*77,247*
	Community Hall expenses					
	Hall improvements & major works	-	6,692	5,243	11,935	*15,429*
	Insurance	-	1,694	-	1,694	*1,783*
	Running expenses incl utilities	-	50,273	-	50,273	*55,014*
	External railings renewal	-	54,519	-	54,519	*7,677*
	Depreciation	28,332	-	-	28,332	*28,332*
	sub-total	28,332	113,178	5,243	146,753	*108,235*
	Property expenses					
	Repairs & maintenance	10,653	-	-	10,653	*2,220*
	Utilities & letting costs	1,661	-	-	1,661	*525*
	Insurance	(1,067)	-	-	(1,067)	*1,756*
	Depreciation on 30 Canford Road	8,333	-	-	8,333	-
	sub-total	19,580	-	-	19,580	4,501
	Administration					
	Salaries & wages (office)	17,681	28,414	-	46,095	*34,195*
	Telephone, postage, website etc.	2,403	1,449	-	3,852	*3,631*
	Professional fees	8,239	-	-	8,239	*9,236*
	Bank charges	878	67	-	945	*1,266*
	sub-total	29,201	29,930	-	59,131	*48,328*
	Total	418,394	143,108	20,990	582,492	*530,699*
	Total	**427,179**	**143,108**	**78,176**	**648,463**	*610,467*

4. AUDITOR'S REMUNERATION

The auditor's remuneration amounts to an audit fee of £7,500 (£8,400 in 2019) and payroll services of £739 (£716 in 2019).

5(a) STAFF COSTS

	2020	*2019*
	£	*£*
Gross wages, salaries and benefits in kind	65,629	59,961
Employer's pension contributions	2,619	2,392
Employer's National Insurance costs	4,457	-
less Job Retention Scheme grants received	(7,218)	-
Total staff costs	65,487	*62,353*
Average number of employees in the year (including part time staff)	4	*4*

Eligible staff are enrolled in the Pension Builder 2014 Scheme of the Church Workers Pension Fund for lay staff. The scheme is a 'cash balance' pension scheme administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020: £2,619, 2019: £2,392).

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000.

During the year the church received £7,218 under the Coronavirus Job Retention Scheme for furloughed employees, which is presented within grant income in the SoFA.

5(b) PCC MEMBER PAYMENTS AND PRIVATE BENEFIT

No person connected with the PCC has been paid or is payable any remuneration.
During the year the church reimbursed expenses of £190 (£577 in 2019) for 2 PCC members (5 in 2019) for flowers and fund raising materials.

For our Associate Priest £24,968 was paid to the diocese for her stipend, pension and other costs. In addition £6,292 was paid to her previous parish for accomodation for 3 months and £510 was paid to her for reclaimable expenses.
The house in Canford Road was being lived in by our Associate Priest and family rent free from September 2020. This private benefit equates to £31,200 per annum, being the market value of rent for the property if it were to be let commercially based on the previous lease which expired in August 2020.
There are no other PCC transactions during the period (2019: £ Nil).

6. FIXED ASSETS

6(a) TANGIBLE

	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
Actual/Deemed Cost	Balance brought forward	275,000	-	275,000
	Land around Community Hall Balance brought forward	1,416,620	7,906	1,424,526
	Community Hall Sound system	-	50,000	50,000
	Balance carried forward	1,691,620	57,906	1,749,526
Depreciation	Balance brought forward	418,648	7,905	426,553
	Depreciation charge for year 2% on Community Hall	28,332	-	28,332
	Depreciation charge for year 25% on sound system	-	12,500	12,500
	Balance carried forward	446,980	20,405	467,385
	Net book value			
	At 1 January 2020	1,272,972	1	1,272,973
	At 31 December 2020	1,244,640	37,501	1,282,141

6(b) RESIDENTIAL PROPERTIES

	All Unrestricted	**2020**	*2019*
		£	*£*
Residential property for church use			
30 Canford Road - house for associate priest (from August 2020)			
Revalued amount	Balance brought forward	-	
	Transfer from investment property	1,250,000	
	Balance carried forward	1,250,000	
Depreciation	Balance brought forward	-	
	Depreciation charge for year 2% on 30 Canford Road for 4 months	8,333	
	Elimination on revaluation	(8,333)	
	Balance carried forward	-	
	Net book value		
	At 1 January 2020	**-**	
	At 31 December 2020	1,250,000	-
Investment properties			
30 Canford Road - house for commercial letting (up to August 2020)		-	*1,250,000*
5a Wroughton Road - tenanted flat		440,000	*440,000*
	Total	440,000	*1,690,000*

Reconciliation to brought forward:

Balance brought forward	1,690,000
Transfer of 30 Canford Road to residential property for church use	(1,250,000)
Net gain from fair value adjustments	-
Additions / disposals	-
	440,000

6. FIXED ASSETS (continued)

The residential properties recognised in the accounts are held as custodian trustee by The South London Church Fund and Southwark Diocesan Board of Finance on behalf of the PCC. The charity is the beneficial owner of the freehold of both properties and has full entitlement to the sales proceeds if the properties were sold in the future.

Residential properties were valued based on market data at January 2021, by the real estate firm John Thorogood, a firm qualified by experience of over 20 years selling properties in the local area. The valuations are based on estimated open market value with vacant possession, taking into account recent sales and current demand and offers for similar properties. The PCC believe that the valuations at January 2021 represent the fair values of the residential properties held at 31 December 2020 in all material respects.

The Wroughton Road property has a protected tenant in situ. Industry guidelines would suggest a 30% haircut against the full market valuation based on vacant possession. The amount recognised in the accounts is £440,000.

The house in Canford Road ceased being let comercially in August 2020 and is now lived in by our Associate Priest and family rent free. It has therefore ceased being an investment asset.

The carrying amount of the property at the year-end had it been recorded under the historical cost convention is circa £15k based on an original cost of £63k in 1983.

7. DEBTORS

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2020	*2019*
	£	£	£	£	*£*
Tax recoverable	8,311	-	-	8,311	*13,016*
Other debtors	4,513	5,523	-	10,036	*31,239*
Total	12,824	5,523	-	18,347	*44,255*

8. LIABILITIES

Amounts falling due within one year					
Accruals and deferred income	7,500	-	-	7,500	*17,700*
Other creditors	6,128	3,983	1,500	11,611	*6,347*
Total	13,628	3,983	1,500	19,111	*24,047*

9. FUNDS

9(a) Fund movements

Restricted Funds		Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Fund balances carried forward £
Legacies Fund		133,374	-	(18,733)	(50,000)	-	64,641
Special Collections Fund		-	1,349	(1,349)	-	-	-
Hall Repair Fund		149,314	561	(5,243)	13,075	-	157,707
Music Society Fund		71,068	36,511	(52,851)	-	-	54,728
	sub-total	353,756	38,421	(78,176)	(36,925)	-	277,076
Designated Funds							
Hall Management Fund		198,437	91,171	(143,108)	(13,075)	-	133,425
	sub-total	198,437	91,171	(143,108)	(13,075)	-	133,425
General Funds							
General fund		1,876,404	364,400	(427,179)	58,333	-	1,871,958
Fair value reserve		1,256,360	-	-	(866,360)	-	390,000
Revaluation reserve		-	8,333	-	858,027		866,360
	sub-total	3,132,764	372,733	(427,179)	50,000	-	3,128,318
Totals		3,684,957	502,325	(648,463)	-	-	3,538,819

9(b) Fund Purposes

Restricted Funds

The Legacies Fund holds the monies received from legacies and will be used for specific purposes which accord with the wishes of the donors.

The Special Collections Fund holds monies collected for other charities which are then paid out to them.

The Hall Repair Fund is a sinking fund for long term future works to maintain the fabric of the Community Hall. It is funded by transferring 10% of hall lettings income from the Hall Management Fund.

The Music Society Fund is for the promotion of music within the church and the community.

Designated Funds

The Hall Management Fund relates to the running of the Community Hall. The balance of funds in excess of its requirements is for the use of the PCC for general purposes.

General Funds

General funds include a fair value reserve, which represents cumulative fair value gains on investment property. The fair value gain recognised in the current year was £nil (2019: £245,000). See Note 6(b) for further details.

General funds include a revaluation reserve, which represents cumulative revaluation gains on residential property held for church use. The revaluation gain recognised in the current year of £8,333 is offset by a reserves transfer for the same amount in respect of excess depreciation charged in line with the fixed asset depreciation policy for residential properties used by the church. See accounting policy 1(g) for further details.

10. LEASE OF DOCTORS' SURGERY LAND

The piece of land east of the church is leased to the Doctors' Surgery for a period of 125 years for a ground rent of £100 per year from 29 September 2001 subject to a review after 25 years on 29 September 2026.

11. MISSIONARY & CHARITABLE GIVING

The policy of the PCC is to make donations to charities and allocates a budget each year. This budget was £27,400 for 2020.

A total of £17,500 was given to 19 charities operating in the UK, with a maximum of £1,000 each.
A total of £9,945 was given to 11 charities operating overseas, with a maximum of £1,000 each.

Special collections are also made with the proceeds being passed on to charities. A total of £1,349 was donated to three charities in this way.