

**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 150<sup>th</sup> 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. Coordinating 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 150<sup>th</sup> 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 14<sup>th</sup> to 20<sup>th</sup> 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 20<sup>th</sup> season and the start of the 21<sup>st</sup> - 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 150<sup>th</sup> 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 21<sup>st</sup> 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, Fereolith 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. £198.9k (50% of our 2024 budget). At 31<sup>st</sup> 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 31<sup>st</sup> 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 Turnbull 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 18<sup>th</sup> 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**

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# **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:

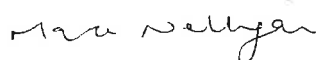
- Enquiry of those charged with governance as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to 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 (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 £
<b>INCOME FROM:</b>						
Donations and legacies	2(a)	253,676	-	1,915	<b>255,591</b>	274,440
Activities for generating funds	2(b)	102,276	144,637	74,637	<b>321,550</b>	271,669
Investments	2(c)	31,073	2,092	1,829	<b>34,994</b>	14,129
Church activities	2(d)	3,182	-	-	<b>3,182</b>	1,396
<b>Total</b>		<b>390,207</b>	<b>146,729</b>	<b>78,381</b>	<b>615,317</b>	<b>561,634</b>
<b>EXPENDITURE ON:</b>						
Raising funds	3(a)	12,480	-	61,985	<b>74,465</b>	75,587
Church activities	3(b)	448,614	136,275	27,669	<b>612,558</b>	489,831
<b>Total</b>		<b>461,094</b>	<b>136,275</b>	<b>89,654</b>	<b>687,023</b>	<b>565,418</b>
<b>Net income (expenditure)</b>		<b>(70,887)</b>	<b>10,454</b>	<b>(11,273)</b>	<b>(71,706)</b>	<b>(3,784)</b>
<b>Transfers between funds</b>	9	<b>24,500</b>	<b>(12,937)</b>	<b>12,937</b>	<b>24,500</b>	<b>24,500</b>
<b>Net income before investment gains</b>		<b>(46,387)</b>	<b>(2,483)</b>	<b>1,664</b>	<b>(47,206)</b>	<b>20,716</b>
Gains/losses on investment funds	7(a)	-	11,684	31,363	<b>43,047</b>	(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)	-	-	<b>(86,250)</b>	3,750
<b>Net movement in funds</b>		<b>(132,637)</b>	<b>9,201</b>	<b>33,027</b>	<b>(90,409)</b>	<b>(42,959)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	9	3,043,992	177,766	384,841	<b>3,606,599</b>	3,649,558
<b>Total funds carried forward</b>	9	<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>

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 £
<b>FIXED ASSETS</b>						
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
<b>Total fixed assets</b>		<b>2,759,645</b>	<b>-</b>	<b>-</b>	<b>2,759,645</b>	<b>2,886,727</b>
<b>CURRENT ASSETS</b>						
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
<b>Total current assets</b>		<b>175,696</b>	<b>191,254</b>	<b>417,873</b>	<b>784,823</b>	<b>733,645</b>
<b>LIABILITIES</b>						
Creditors: amounts falling due within one year	8	23,986	4,287	5	28,278	13,773
<b>Net current assets</b>		<b>151,710</b>	<b>186,967</b>	<b>417,868</b>	<b>756,545</b>	<b>719,872</b>
<b>TOTAL NET ASSETS</b>		<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>
<b>PARISH FUNDS</b>						
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
<b>Total funds</b>		<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>

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
	£	£
<b>Net cash from/(used in) operating activities*</b>	13,906	39,974
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	-	-
Interest and rent from investments	34,994	14,129
<b>Net cash provided by/(used in) investing activities</b>	34,994	14,129
<b>Change in cash and cash equivalents in the reporting period</b>	48,900	54,103
<b>Cash and cash equivalents at 1 January</b>	704,094	649,991
<b>Cash and cash equivalents at 31 December</b>	<u>752,994</u>	<u>704,094</u>
<b>Reconciliation of net income/(expenditure) before investment gains</b>		
<b>Net income before investment gains 31 December</b>	(47,206)	20,716
<b>Adjustments for:</b>		
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)
<b>*Net cash from/(used in) operating activities</b>	<u>13,906</u>	<u>39,974</u>
<b>Analysis of cash and cash equivalents</b>		
Bank current accounts	67,285	159,051
Short term deposits	300,087	202,468
Investment funds	<u>385,622</u>	<u>342,575</u>
	<u>752,994</u>	<u>704,094</u>

**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.

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

**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.

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

**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.



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

**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 £	<b>TOTAL FUNDS</b>	
				<b>2023 £</b>	<b>2022 £</b>
<b>2(a) Donations and legacies</b>					
<b>Grants</b>					
LPOW (VAT refund on building works)	467	-	-	467	853
Battersea Synod grant	-	-	-	-	230
Diocese energy grant	-	-	-	-	1,400
sub-total	467	-	-	467	2,483
<b>Voluntary giving</b>					
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
<b>Total</b>	253,676	-	1,915	255,591	274,440
<b>2(b) Activities for generating funds</b>					
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
<b>Total</b>	102,276	144,637	74,637	321,550	271,669
<b>2(c) Investments</b>					
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
<b>Total</b>	31,073	2,092	1,829	34,994	14,129
<b>2(d) Church activities</b>					
Parochial fees received	3,182	-	-	3,182	1,396
<b>Total</b>	3,182	-	-	3,182	1,396
<b>Total</b>	<b>390,207</b>	<b>146,729</b>	<b>78,381</b>	<b>615,317</b>	<b>561,634</b>

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

**3. EXPENDITURE ON:**

	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS	
				2023 £	2022 £
<b>3(a) Raising funds</b>					
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
<b>Total</b>	<b>12,480</b>	<b>-</b>	<b>61,985</b>	<b>74,465</b>	<b>75,587</b>
<b>3(b) Church activities</b>					
<b>Missionary &amp; charitable giving</b>					
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
<b>Ministry</b>					
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
<b>Church expenses</b>					
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
<b>Community Hall expenses</b>					
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
<b>Property expenses</b>					
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
<b>Administration</b>					
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
<b>Total</b>	<b>448,614</b>	<b>136,275</b>	<b>27,669</b>	<b>612,558</b>	<b>489,831</b>
<b>Total</b>	<b>461,094</b>	<b>136,275</b>	<b>89,654</b>	<b>687,023</b>	<b>565,418</b>

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

**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**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gross wages, salaries and benefits in kind	69,088	45,860
Employer's pension contributions	2,753	1,925
Employer's National Insurance costs	-	-
<b>Total staff costs</b>	<b>71,841</b>	<b>47,785</b>
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).

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

**6. FIXED ASSETS**

6(a) TANGIBLE	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
<b>Actual/Deemed Cost</b>	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
<b>Depreciation</b>	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
	<b>Net book value</b>			
	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 £
<b>Residential property for church use</b>			
30 Canford Road - house for associate priest			
<b>Revalued amount</b>	Balance brought forward	1,225,000	1,285,000
	Revaluation	-	(60,000)
	Balance carried forward	1,225,000	1,225,000
<b>Depreciation</b>	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	-	-
	<b>Net book value</b>		
	At 1 January 2023	1,225,000	1,285,000
	At 31 December 2023	1,225,000	1,225,000
<b>Investment properties</b>			
5a Wroughton Road - tenanted flat		375,000	461,250
<b>Total</b>		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

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

**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 commercially 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**

	<b>General Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>TOTAL FUNDS</b>	
				<b>2023 £</b>	<b>2022 £</b>
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
<b>Total</b>	<b>16,757</b>	<b>15,072</b>	<b>-</b>	<b>31,829</b>	<b>29,551</b>

**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
<b>Total</b>	<b>23,986</b>	<b>4,287</b>	<b>5</b>	<b>28,278</b>	<b>13,773</b>

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

**9. FUNDS**

**9(a) Fund movements**

	<b>Fund balances brought forward</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>Fund balances carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Funds</b>						
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
<b>Designated Funds</b>						
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
<b>General Funds</b>						
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
<b>Totals</b>	<b>3,606,599</b>	<b>639,817</b>	<b>(687,023)</b>	<b>-</b>	<b>(43,203)</b>	<b>3,516,190</b>

**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.

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

**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**

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# **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:

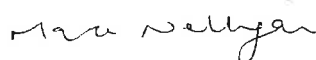
- Enquiry of those charged with governance as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of committee and PCC meetings;
- Reviewing financial statement disclosures and verification to 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 (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 £
<b>INCOME FROM:</b>						
Donations and legacies	2(a)	253,676	-	1,915	<b>255,591</b>	274,440
Activities for generating funds	2(b)	102,276	144,637	74,637	<b>321,550</b>	271,669
Investments	2(c)	31,073	2,092	1,829	<b>34,994</b>	14,129
Church activities	2(d)	3,182	-	-	<b>3,182</b>	1,396
<b>Total</b>		<b>390,207</b>	<b>146,729</b>	<b>78,381</b>	<b>615,317</b>	<b>561,634</b>
<b>EXPENDITURE ON:</b>						
Raising funds	3(a)	12,480	-	61,985	<b>74,465</b>	75,587
Church activities	3(b)	448,614	136,275	27,669	<b>612,558</b>	489,831
<b>Total</b>		<b>461,094</b>	<b>136,275</b>	<b>89,654</b>	<b>687,023</b>	<b>565,418</b>
<b>Net income (expenditure)</b>		<b>(70,887)</b>	<b>10,454</b>	<b>(11,273)</b>	<b>(71,706)</b>	<b>(3,784)</b>
<b>Transfers between funds</b>	9	<b>24,500</b>	<b>(12,937)</b>	<b>12,937</b>	<b>24,500</b>	<b>24,500</b>
<b>Net income before investment gains</b>		<b>(46,387)</b>	<b>(2,483)</b>	<b>1,664</b>	<b>(47,206)</b>	<b>20,716</b>
Gains/losses on investment funds	7(a)	-	11,684	31,363	<b>43,047</b>	(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)	-	-	<b>(86,250)</b>	3,750
<b>Net movement in funds</b>		<b>(132,637)</b>	<b>9,201</b>	<b>33,027</b>	<b>(90,409)</b>	<b>(42,959)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	9	3,043,992	177,766	384,841	<b>3,606,599</b>	3,649,558
<b>Total funds carried forward</b>	9	<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>

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 £
<b>FIXED ASSETS</b>						
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
<b>Total fixed assets</b>		<b>2,759,645</b>	<b>-</b>	<b>-</b>	<b>2,759,645</b>	<b>2,886,727</b>
<b>CURRENT ASSETS</b>						
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
<b>Total current assets</b>		<b>175,696</b>	<b>191,254</b>	<b>417,873</b>	<b>784,823</b>	<b>733,645</b>
<b>LIABILITIES</b>						
Creditors: amounts falling due within one year	8	23,986	4,287	5	28,278	13,773
<b>Net current assets</b>		<b>151,710</b>	<b>186,967</b>	<b>417,868</b>	<b>756,545</b>	<b>719,872</b>
<b>TOTAL NET ASSETS</b>		<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>
<b>PARISH FUNDS</b>						
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
<b>Total funds</b>		<b>2,911,355</b>	<b>186,967</b>	<b>417,868</b>	<b>3,516,190</b>	<b>3,606,599</b>

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**

	<b>2023</b>	<b>2022</b>
	£	£
<b>Net cash from/(used in) operating activities*</b>	13,906	39,974
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	-	-
Interest and rent from investments	34,994	14,129
<b>Net cash provided by/(used in) investing activities</b>	34,994	14,129
<b>Change in cash and cash equivalents in the reporting period</b>	48,900	54,103
<b>Cash and cash equivalents at 1 January</b>	704,094	649,991
<b>Cash and cash equivalents at 31 December</b>	<u>752,994</u>	<u>704,094</u>
<b>Reconciliation of net income/(expenditure) before investment gains</b>		
<b>Net income before investment gains 31 December</b>	(47,206)	20,716
<b>Adjustments for:</b>		
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)
<b>*Net cash from/(used in) operating activities</b>	<u>13,906</u>	<u>39,974</u>
<b>Analysis of cash and cash equivalents</b>		
Bank current accounts	67,285	159,051
Short term deposits	300,087	202,468
Investment funds	<u>385,622</u>	<u>342,575</u>
	<u>752,994</u>	<u>704,094</u>

**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.



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

**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.

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

**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.

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

**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 £	<b>TOTAL FUNDS</b>	
				<b>2023 £</b>	<b>2022 £</b>
<b>2(a) Donations and legacies</b>					
<b>Grants</b>					
LPOW (VAT refund on building works)	467	-	-	467	853
Battersea Synod grant	-	-	-	-	230
Diocese energy grant	-	-	-	-	1,400
sub-total	467	-	-	467	2,483
<b>Voluntary giving</b>					
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
<b>Total</b>	253,676	-	1,915	255,591	274,440
<b>2(b) Activities for generating funds</b>					
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
<b>Total</b>	102,276	144,637	74,637	321,550	271,669
<b>2(c) Investments</b>					
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
<b>Total</b>	31,073	2,092	1,829	34,994	14,129
<b>2(d) Church activities</b>					
Parochial fees received	3,182	-	-	3,182	1,396
<b>Total</b>	3,182	-	-	3,182	1,396
<b>Total</b>	<b>390,207</b>	<b>146,729</b>	<b>78,381</b>	<b>615,317</b>	<b>561,634</b>

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

**3. EXPENDITURE ON:**

	General Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS	
				2023 £	2022 £
<b>3(a) Raising funds</b>					
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
<b>Total</b>	<b>12,480</b>	<b>-</b>	<b>61,985</b>	<b>74,465</b>	<b>75,587</b>
<b>3(b) Church activities</b>					
<b>Missionary &amp; charitable giving</b>					
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
<b>Ministry</b>					
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
<b>Church expenses</b>					
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
<b>Community Hall expenses</b>					
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
<b>Property expenses</b>					
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
<b>Administration</b>					
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
<b>Total</b>	<b>448,614</b>	<b>136,275</b>	<b>27,669</b>	<b>612,558</b>	<b>489,831</b>
<b>Total</b>	<b>461,094</b>	<b>136,275</b>	<b>89,654</b>	<b>687,023</b>	<b>565,418</b>

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

**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**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gross wages, salaries and benefits in kind	69,088	45,860
Employer's pension contributions	2,753	1,925
Employer's National Insurance costs	-	-
<b>Total staff costs</b>	<b>71,841</b>	<b>47,785</b>
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).

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

**6. FIXED ASSETS**

6(a) TANGIBLE	All Unrestricted	Freehold land & buildings	Equipment	Total
		£	£	£
<b>Actual/Deemed Cost</b>	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
<b>Depreciation</b>	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
	<b>Net book value</b>			
	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 £
<b>Residential property for church use</b>			
30 Canford Road - house for associate priest			
<b>Revalued amount</b>	Balance brought forward	1,225,000	1,285,000
	Revaluation	-	(60,000)
	Balance carried forward	1,225,000	1,225,000
<b>Depreciation</b>	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	-	-
	<b>Net book value</b>		
	At 1 January 2023	1,225,000	1,285,000
	At 31 December 2023	1,225,000	1,225,000
<b>Investment properties</b>			
5a Wroughton Road - tenanted flat		375,000	461,250
<b>Total</b>		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

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

**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 commercially 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**

	<b>General Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>TOTAL FUNDS</b>	
				<b>2023 £</b>	<b>2022 £</b>
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
<b>Total</b>	<b>16,757</b>	<b>15,072</b>	<b>-</b>	<b>31,829</b>	<b>29,551</b>

**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
<b>Total</b>	<b>23,986</b>	<b>4,287</b>	<b>5</b>	<b>28,278</b>	<b>13,773</b>



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

**9. FUNDS**

**9(a) Fund movements**

	<b>Fund balances brought forward</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>Fund balances carried forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Funds</b>						
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
<b>Designated Funds</b>						
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
<b>General Funds</b>						
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
<b>Totals</b>	<b>3,606,599</b>	<b>639,817</b>	<b>(687,023)</b>	<b>-</b>	<b>(43,203)</b>	<b>3,516,190</b>

**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.

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

**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.