



The Parochial Church Council of the Ecclesiastical Parish of St. Luke the
Evangelist, Maidstone

Registered Charity Number 1133938

Financial Statements

31 December 2023

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The Parochial Church Council of the Ecclesiastical Parish of St. Luke the Evangelist, Maidstone

Administrative Information

Secretary to the PCC: Anne Moss*

Finance and Bookings Manager: Mandy Parris*

**Non-Voting Attendees at PCC*

Trustees

Incumbent: Revd. Gareth Dickinson

Co-opted: Rev.d Robin Williamson (resigned June 2023)
Brad Cook

Wardens: Anthony Chadwick
Melanie Williams

Elected Members: Hollie Butler (appointed July 2023)
William Cockcroft (appointed April 2023)
Anne Cole
Thomas Cordrey
Dorcas Kingsford
Graeme Levett
Cantor Mocke (resigned date - April 2023)
Olivia Owen (appointed April 2023)
Immy Sharp (appointed April 2023, resigned September 2023)
Neil Sinclair
Carole Tyler

Representative on the Diocesan Synod: Clare Torrens

Representatives on the Deanery Synod: Heather May (resigned April 2023)
Susan Ghinn
Donella McGill
Wendy Suffield

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Foley Street
Maidstone
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Independent Examiner Paul Baker
Applied Accountancy Limited
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Kent
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Bank CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
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Trustees' Annual Report for the year ended 31 December 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The PCC is a registered charity and is governed by the PCC Powers Measure 1956 (as amended) and Church Representation Rules.

The method of appointment of PCC members is governed by and set out in the Church Representation Rules. PCC membership is sought from the fellowship. New trustees are provided with a guide to the principles of the PCC.

The PCC operates through a number of groups and committees covering many aspects of church life, which report to the full trustee board. In 2023, this was developed further into a number of PCC working parties to take specific areas of work forward. These include: Safeguarding, Children and youth work, Human Resources, Pastoral care, Finance, Site, Worship, Mission and evangelism, Fund raising. The increase in team workers has meant that faster progress has been made across many areas of church life.

The Standing Committee has the power to transact business of the PCC between meetings, subject to the direction of the full PCC.

There is a mission working party that considers which societies, organisations or individual missionaries should be supported by the church and raises the profile of mission in the congregation. All recommendations for the distribution of funds given by the church for that purpose are agreed annually by the PCC.

The Site development group looks at the needs of the church in respect of accommodation and future development of the buildings.

There have been a number of additional staff appointments in 2023 – a Youth Pastor via grant funding from the Church of England, a part time Production manager and a part time Operations manager. We have also benefitted from the allocation of a curate and an ordinand in training for the ministry. These, together with existing staff and a number of key volunteers and clergy form a core team who meet together each week to manage the ongoing work of the church. These appointments are helping to develop new areas of ministry.

St Luke's has established a vision under the banner of 'Live- Love- Lead' and this is underpinning the direction of the church. In partnership with our architect, plans for the development of the site, 'Transforming Spaces for Transforming Mission' are well underway and have provisional approval from Maidstone Borough Council and The Diocese of Canterbury. Following more accurate costings from a Quantity Surveyor, plans for major alterations to buildings have been scaled back and St Luke's House brought back into the amended scheme as offices and meeting rooms.

OBJECTS, AIM AND PURPOSES

Under the PCC Powers Measure 1956 (as amended), St. Luke's Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent vicar and the churchwardens in promoting 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 complex of St Luke's, Maidstone.

The trustees have complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

OBJECTIVES AND ACTIVITIES

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

- Regular worship open to all, and the teaching of Christianity through sermons and small groups.
- Provision of ~~the Forefront~~ youth groups and children's groups with a Christian ethos, as well as taking assemblies in schools.
- Pastoral work, including visiting the sick and the bereaved, and the St. Luke's Barnabas Fund (emergency funding for Church Members).
- The provision of sacred space for personal prayer and contemplation, as well as ministry teams available to pray with individuals at Sunday services.
- Evangelism, communicating and seeking to demonstrate the message of God's forgiveness and love for all human beings.
- Promoting the whole mission of the Church through numerous groups.
- Supporting other charities in the UK and overseas.
- Supporting the community via provision of activities for parents and preschool children, a lunch club for elderly people.
- Working in partnership with other local churches to support mission in Maidstone.

To facilitate this work, it is important that we maintain the fabric of the Church of St. Luke's and the church complex. Minor maintenance work is organised and carried out by our 'in house' Property team. Major repair work is commissioned from professional firms according to the recommendations of a new Quinquennial Survey, which took place in 2023. A number of projects in 2023 have improved areas of the church complex, making them more suitable for use.

ACHIEVEMENTS AND PERFORMANCE

Regular worship open to all, and the teaching of Christianity through sermons and small groups

Throughout 2023, St Luke's has offered one Sunday morning service in the church which is live-streamed and uploaded to YouTube. In October, a monthly evening service was introduced. Church attendance has continued to grow during the year. Online viewing figures have continued to be strong with people watching at their convenience throughout the week. Morning services include very well-attended groups for children and young people. Some of the physical spaces have been unsuitable, being cold and prone to water ingress. Additional groups have been needed, putting pressure on the available spaces. Monthly evening Firefall celebrations have continued. These include guest speakers and allow an extended time of worship, teaching, prayer and ministry. Attendance has continued to grow, with many people visiting from other local churches.

In 2023 there has been a normal pattern of services reflecting seasons of the Church calendar. Our Christmas services are particularly appreciated by hundreds of people in the town, especially the service of Carols by Candlelight and a Christingle service for families. A harvest festival was held with donations to the Salvation Army Foodbank.

As well as our regular services, we enable our community to celebrate and thank God at the milestones of their journey through life: through baptisms, marriages and funerals. Baptisms and marriages that had been postponed by the pandemic due to the very limited numbers allowed to attend, have now resumed. Funerals have taken place at the Maidstone crematorium, often led by our non-stipendiary minister. A number of baptisms by full immersion have taken place, aided by the purchase of a new portable baptistry.

We also hold an annual Remembrance Sunday service called 'Candle in the Wind': an opportunity for those who wish to remember the death of a loved one. This is especially valued by those who have lost someone during the previous year, enabling them to mourn their loved one, commend them into God's presence and receive the comfort of other people's prayers.

The PCC recognises that God made us all as unique individuals, who desire to worship him in our own way and we try to provide space to recognise and encourage this. Worship Teams, led and co-ordinated by the Worship and Creative Pastor, provide music and sung worship led in a variety of ways by small groups of musicians and singers, who are supported by the Technical Team. The new Production Manager oversees a team who manage the sound, live streaming and project words and other data onto the screen at the front of the church.

Lifegroups

Lifegroups are small midweek groups mainly meeting in homes in and around Maidstone. They are safe places to meet, make friends and be encouraged in the Christian faith. They are the initial point for pastoral care. A number of other opportunities for pastoral support are developing via networks and social meetings for men and young adults.

Youth and Children

Following the successful impact of employing a Children and Families' Pastor two years ago, St Luke's has employed a Youth Pastor in 2023 drawing on Church of England funding. This funding will decrease year by year over five years on a sliding scale. These appointments are enabling significant growth in this area of church life with a steady increase in the numbers of children and young people attending each week. Sessions for children and young people are run every week

and are lively and engaging and deeper relationships with families are being built and maintained. Special events such as a Holiday Club, Pancake party and Light Trail have also been very well-received.

Connections with local schools have been re-established and good relationships are bringing new opportunities to work together to the mutual benefit of both communities.

Our young people have Sunday sessions on three weeks a month. On the fourth week, they are encouraged to support other ministries, working with children or helping with sound, vision, worship and refreshments. Additionally, they meet on a Friday evening with a programme that includes spiritual and social content. Increasingly, our young people attend events which include other groups across the district. The Youth Pastor is also working with a group that support adults and young people with mental health issues.

Pastoral Work

Pastoral Care consists of visiting people in their homes and in hospital, ministering to the dying and comforting the bereaved, which is done by teams of laity and clergy.

The St. Luke's Barnabas fund is supported by the PCC and provides financial support for those facing emergency difficulties. The fund is administered by a small group who ensure confidentiality is maintained.

On Sundays Pastoral Care is also provided by our Ministry Team, who pray with those who are struggling with life's situations; especially where issues may have been raised during the preaching or worship. Those who require counselling are advised to go to the Crossline Christian Counselling Service, an inter-church scheme which operates in the centre of Maidstone.

Because of the size of the church membership, much simple pastoral care is provided both within Life Groups and the huge variety of other groups (such as those described below).

The church appoints safe-guarding officers for vulnerable adults and children, working in partnership with the Diocese and other agencies as appropriate. A Safeguarding group has developed a paperless system to support safer recruitment of team members and the reporting of any concerns.

The church has assisted our larger Ukrainian family into relocate into suitable new accommodation.

The provision of sacred space for personal prayer and contemplation

There is a regular monthly prayer evening for the congregation. There is also a phone number that people can use to text prayer requests.

Evangelism

We believe that promoting the Gospel to the community is vital. We seek to communicate this through targeting invitations to special services and events such as Alpha (a course exploring the Christian faith), comedy nights, quiz nights etc.

A weekly and monthly newsletter has been distributed to everyone on our Churchsuite database. The number of people in the data base has continued to grow. This has provided a point of contact each week and enabled the promotion of on-line services and, increasingly, been a source of information and encouragement. An Alpha course was very well attended.

St. Luke's also has close links with 'Street Pastors', a national initiative where Christians go out to offer practical and pastoral help to young people enjoying the night-life in towns and city centres. Several of our members are involved with this venture in Maidstone, having trained as 'Street Pastors' or as part of their prayer support teams.

St. Luke's also provides volunteers for the Maidstone Churches' Winter Shelter where up to 15 Homeless people were provided with a hot meal, bed overnight and breakfast during the 12 weeks of Winter.

Technology/ Website / Social media

The website and our social media pages are an important part of our ministry at St. Luke's as we continue to build the church of the 21st century. The church has invested in Churchsuite and G-Suite software as a means of maintaining office functions and improving communication without the need to always be based in a physical office. Use of 'Churchsuite' has allowed us to operate a booking system for in-person events. G-Suite software has allowed staff and key volunteers to work from home, share documents and provide a platform to store and access media files.

A new up-to-date church website has been developed as an initial point of contact for new people. Social media is being utilised more consistently and effectively.

We have invested in new technology to enhance in house and online sound and visuals. New LED lighting in the church has significantly reduced associated energy costs and enabled more control over colour and lighting levels.

Promoting the whole mission of the Church

In normal times, numerous groups operate throughout St. Luke's offering support for those in the local community. All of the groups and activities listed in this section had to be suspended during the pandemic, but many are now up and running again.

There is a "Cafe n' Tots" group for pre-school age children and their carers which has continued to flourish. There are 162 families registered and the two weekly sessions are usually full to capacity. Some of these families have begun to attend other events and services occasionally.

The 60s+ club continues to thrive and attract new members. There are regular activities such as keep fit and quizzes as well as services which are held six times a year.

A gardening team meets weekly to maintain the church garden and grounds.

A men's group enjoy breakfasts, suppers, barbecues and bowling nights.

Supporting other Charities in the UK and overseas

St Luke's has continued its commitment to give 10% of its gift income away to various charities and organisations both within the UK and abroad. In 2023 the PCC distributed the remaining tithe from 2022. As giving to St Luke's has increased, so in turn, we have been able to increase our giving to other churches and organisations.

Fabric and Buildings

After a period of discussion and consultation, plans for improvement works across the site have been submitted to Maidstone Borough Council and are awaiting approval. There have been a series of surveys on the site (trees, asbestos, drains, structural) to assess potential factors that might affect the scheme.

Towards the end of 2023, it was decided to redeploy St Luke's House as offices and meeting spaces. The larger Ukrainian family was rehoused and a programme of works begun to convert the house back into a series of useful and attractive rooms. This work was paid for from donated funds to the building project.

A storage space above the main kitchen has been cleared and converted into a useful additional meeting area known as The Loft.

The small area of the garden behind the church has been reconfigured to create a few more parking spaces.

While plans for the whole site are have been being progressed, there have continued to be frequent issues with the utility systems in the church and halls, much of which is old and needs to be replaced. This has been a constant drain on finances and human resources.

FINANCIAL REVIEW

Income in 2023 was £421,610 compared with £289,966 in 2022. The increase is due in part new families joining St Luke's either for the first time or returning after some years away and contributing to the church finances. There has also been income from the hiring of church halls, rental of St Luke's House flat and a grant to contribute to the cost of employing a youth worker.

The total income for the year was more than the expenditure by £83,673, against a deficit of £23,257 in 2022.

Income increased overall, planned giving increased in 2023 by £17,002 and consequently tax recovered also increased; cash collections saw an increase of £935 in the year. Other donations income totalled £142,751 (an increase of £95,893 from 2022). Of this income, £118,306 (2022: £20,295) was in restricted funds and given and received for specific purposes.

Total income from other trading activities was £45,054 (2022: £31,429) of which the largest parts were income of £24,756 from the rental of St Luke's flat (2022: £13,698) and income of £20,079 for the hire of the church halls (2022: £17,249).

Total unrestricted expenditure was £282,529 (2022: £265,631).

"Costs of generating donations" (which is basically the cost of running the church site and activities) was £107,982 (2022: £105,770).

Costs of trading activities was £25,439 (2022: £18,601), an increase which is partly due to an increase in actions in all areas of church life and sponsoring a Ukrainian family (11 members) who have lived in St Luke's House.

Grants to external missions were £26,337 (2022: £35,895), not all 2023 mission money was given away in 2023, but it was rolled over to be used in 2024. In 2023, there has been a change of policy to give away a tithe to external mission based on donations only, rather than on all income.

PCC Review of Finances

Our Budget for 2023 was a challenging but realistic budget. Our income increased, as new members joined the church and our halls were once again let out on a regular basis. We were able to pay our full Parish Share to the Diocese.

In 2023 we were able to appoint a further ~~two~~ three members of staff, a part time Youth Pastor, a part time Operations Manager and a part time Production Manager. The PCC along with the Finance Manager and the finance team (two volunteers) have continued to keep the finances under regular review throughout the year. St Luke's is an old church and as such the buildings are constantly needing repairs and maintenance of heating systems and repairs in general have been a regular occurrence.

The series of actions we carried out in 2023 included:

- New energy efficient LED lighting in the church
- Clearing and creation of Loft meeting space, including new furniture
- New additional television screens for the church
- Creation of additional parking spaces in the rear car park
- New control system for the car park barrier and halls
- Commencement of St Luke's House refurbishment as offices and meeting rooms
- Bell tower – addressing pigeon infestation
- Rebuilding of stone gate pillar
- Overhaul and renewal of emergency lighting units throughout the site
- Installation of a Donation Station to enable easy one-off donations

Reserves Policy

We employed a further three staff in 2023 and the PCC agreed to increase the free unrestricted reserves to £32,500. Free reserves at 31 December 2023 were £37,188 (2022: £46,078) representing unrestricted/undesignated net current assets of the charity.

RISK MANAGEMENT

The board of Trustees continues to assess, identify and address areas of risk and to put controls in place to minimise these. Key controls include;

- Formal agendas and minutes for all Board and subcommittee meetings;
- Comprehensive budgeting, management reporting and accounting;
- Development of written policies and procedures;
- Development of strategic plans.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the governing document. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

FUTURE DEVELOPMENTS

In 2023, emphasis was placed on establishing and taking forward a vision for the church. This led us to the strategic appointment of further key staff including a curate and an ordinand (minister in training) and reviewing and planning the use and development of the church site in order to support the vision and mission of St Luke's Church in a sustainable way. The church premises extend over a large site which includes St Luke's House and garden, the car park and a number of halls with land around them. These represent assets that, if necessary, could be sold. A decision to reuse St Luke's House for mission has enabled immediate progress with the creation of better offices for staff and meeting spaces, particularly for children. Growing areas of ministry and the increased size of the congregation also potentially boosts revenue, and the need for usable space.

In 2023, the church has been able to recruit further talented staff and clergy who have worked alongside the vicar, staff and volunteers, creating a core team to carry out the business of the church.

Collaborative plans for the local deanery, in particular a growing relationship with St Faith's Church, also offer the potential for further mission and funding.

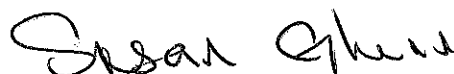
The last year has seen a significant growth in church membership with many new people giving regularly. Technology has continued to be used extensively for administration, communication and the live-streaming of services, enabling the church to stay connected and engaged. Regular vision updates allow new members of the church to understand the mission opportunities and financial needs of the church. Continuing our own activities in the main church has increased the opportunity to raise income from letting our premises. Income from hall hire has gradually picked up with groups returning or starting new enterprises. A new Donation Station has been installed. It is hoped that this will encourage one-off donations from visitors. St Luke's continue to receive income from letting St Luke's House flat which helps cover the costs of maintaining the building.

This report was approved by the Trustees on 15th April 2024 and signed on their behalf by

Revd. Gareth Dickinson
Vicar & Trustee



Susan Ghinn
Trustee



Independent examiner's report to the trustees of the Parochial Church Council of the Ecclesiastical Parish of St Luke the Evangelist, Maidstone.

I report to the trustees on my examination of the accounts of the Parochial Church Council of the Ecclesiastical Parish of St Luke the Evangelist, Maidstone ('the charity') for the year ended 31 December 2023, which are set out on pages 13 to 24.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Association of International Accountants.

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

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

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

Paul Baker FAIA
Applied Accountancy Limited
50a Clifford Way
Maidstone
Kent ME16 8GD
Dated:

2024

DRAFT

Statement of Financial Activities
For the year ending 31 December 2023

	Notes	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
Income					
Donations:					
Donations from church members		-	232,271	232,271	211,405
Other donations		118,306	24,445	142,751	46,858
Other trading activities		-	45,054	45,054	31,429
Investment income		-	1,484	1,484	274
Other income		-	50	50	-
Total income	2	<u>118,306</u>	<u>303,304</u>	<u>421,610</u>	<u>289,966</u>
Expenditure					
Costs of raising funds:					
Costs of generating donations		8,966	99,016	107,982	105,770
Costs of trading activities		7,226	18,213	25,439	18,601
Total costs of raising funds		<u>16,192</u>	<u>117,229</u>	<u>133,421</u>	<u>124,371</u>
Charitable activities:					
Ministry		16,314	161,865	178,179	152,957
Grants		22,902	3,435	26,337	35,895
Total expenditure on charitable activities		<u>39,216</u>	<u>165,300</u>	<u>204,516</u>	<u>188,852</u>
Total expenditure	3	<u>55,408</u>	<u>282,529</u>	<u>337,937</u>	<u>313,223</u>
Net income/(expenditure)		62,898	20,775	83,673	(23,257)
Transfers between funds		29,726	(29,726)	-	-
Net movement in funds		<u>92,624</u>	<u>(8,951)</u>	<u>83,673</u>	<u>(23,257)</u>
Total Funds Brought Forward		172,400	133,339	305,739	328,996
Total Funds Carried Forward		<u>265,024</u>	<u>124,388</u>	<u>389,412</u>	<u>305,739</u>

The Parochial Church Council of the Ecclesiastical Parish of St. Luke the Evangelist, Maidstone

Balance Sheet
As at 31 December 2023

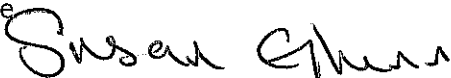
	Notes	2023	2022
		£	£
Fixed Assets			
Tangible assets	5	198,158	201,831
Current Assets			
Debtors	7	32,463	6,686
Cash at bank and in hand		<u>181,720</u>	<u>111,675</u>
		214,183	118,361
Creditors: amounts falling due within one year	8	<u>(22,929)</u>	<u>(14,453)</u>
Net Current Assets		<u>191,254</u>	<u>103,908</u>
Total assets less current liabilities		389,412	305,739
Net Assets		<u>389,412</u>	<u>305,739</u>
The funds of the church			
Restricted Funds	13	265,024	172,400
Unrestricted Funds	9	108,195	114,833
Designated Funds	9	<u>16,193</u>	<u>18,506</u>
		<u>389,412</u>	<u>305,739</u>

Approved by the Trustees on 15th April 2024 and signed on their behalf by

Revd. Gareth Dickinson
Vicar & Trustee



Susan Ghinn
Trustee



Statement of Cash Flows
For the year ending 31 December 2023

	Notes	£	2023 £	£	2022 £
Cash generated/(used) by operating activities	16		77,863		(11,596)
Cash flows from investing activities					
Interest income		1,484		262	
Proceeds from disposal of Investments		-		12,059	
Purchase of tangible fixed assets		(9,302)		(6,377)	
Cash (used)/generated by investing activities			(7,818)		5,944
Increase in cash and cash equivalents in the year			70,045		(5,652)
Cash and cash equivalents at the beginning of the year			111,675		117,327
Cash and cash equivalents at the end of the year			<u>181,720</u>		<u>111,675</u>

**Notes to the Accounts
For the year ended 31 December 2023**

1. Accounting Policies

Basis of preparation and going concern

The financial statements have been prepared under the historical cost convention, with the exception that investments are included at market value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

The charity is an Anglican church based in Maidstone but called to reach out to the world with the good news of Jesus Christ, in the power of the Spirit, so that others may know the love of their Heavenly Father. This mission is continuous. Its work is financed by member donations and fund raising activities, such as letting rooms for community use. Finances are carefully managed to ensure all aspects of this mission are carried out including mission both inside the parish and more widely. Free unrestricted reserves were £37,188 at 31 December 2023.

In 2023 new people continued to join the church as a result of outreach activities in the community and a developing online presence. Expenditure increased as the church invested in staffing and improvements to the fabric of the buildings. Income increased mainly via donations from the growing congregation.

The PCC has assets which can be drawn on:

- St Luke's House is a property held by the Diocese of Canterbury of which St Luke's is the sole beneficiary if it were to be sold. It is worth in excess of £600,000. However, for the foreseeable future, the church has decided to upgrade and use this building for offices and meeting rooms as part of its improvement plans.
- A large site with various pieces of land that could be sold to fund other development.

2023 saw many positive changes. Many more people were attending services in person on Sundays and new additional evening services were introduced. Services continued to be live-streamed. This has proved helpful to people who are unable to attend services in the building and has also allowed people to view or revisit services at other times. The children's ministry continues to be a great asset to St Luke's along with a growing youth ministry.

The website and social media presence has continued to be impactful in promoting the life of the church. In 2023 we appointed a part time Youth pastor, part time Production Manager and part time Operations Manager. These appointments, along with the allocation of a curate and ordinand, have added to an effective core team of staff and volunteers.

Our monthly giving by standing order continued to grow. The site has continued to require significant resources to address repairs and maintenance, although the employment of an Operations Manager has meant that more could be done in-house. The installation of new LED light fittings in the church has reduced associated energy costs.

In consultation with an architect, plans for improvements to the site to support the mission of the church, provide facilities for church groups and for community use have been submitted to Maidstone Borough Council for approval. These plans and the anticipated costs to carry them out do not require any parts of the site to be sold, thus retaining all of our property assets.

The trustees are resolved to carry forward plans that will ensure the charity's ability to continue in the foreseeable future and that there are no material uncertainties surrounding its ability to do so.

**Notes to the Accounts
For the year ended 31 December 2023**

1. Accounting Policies (cont)

Income

Income, including income tax recovered on amounts received by way of Gift Aid is recognised in the Statement of Financial Activities once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Resources Expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings which aggregate all costs related to the category.

Total resources expended include the allocation of support costs to the various expenditure categories set out in the Statement of Financial Activities. Support costs have been allocated to activities on a basis consistent with the use of resources as shown in note 12.

Costs of generating donations consist of costs associated with the day to day running of the church building and services as well as costs associated with church family activities. Costs of trading activities are costs generally associated with activities where there is associated fee income.

Costs of charitable activities are costs associated with activities to meet the needs of the community and are part of church outreach.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and other statutory costs.

Value added Tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

Tangible fixed assets

Assets are reviewed on an individual basis and capitalised when an ongoing benefit will be provided to the charity. Depreciation has been provided at the following rates in order to write off the assets over their estimate useful lives.

St Luke's House & Improvements	2% Straight line
Equipment	20% Straight line

A full year's charge has been made for depreciation in the year of an asset's purchase and no depreciation is charged in its year of disposal.

Impairment losses are recognised when there is an indication of impairment and the asset's recoverable amount is less than its carrying amount.

**Notes to the Accounts
For the year ended 31 December 2023**

1. Accounting Policies (cont)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

Employees of the charity are entitled to join the Church Workers Pension Fund (see note 18). The charity contribution is restricted to the contributions disclosed in note 11.

Restricted and Unrestricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to that fund. Unrestricted funds are donations and other income received or generated for the objectives of the Church without further specified purpose and are available as general funds.

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Rentals paid under operating leases are charged to the statement of financial activities as incurred.

Notes to the Accounts

For the year ended 31 December 2023

	Restricted	Unrestricted	Endowment	Total 2023	Restricted	Unrestricted	Endowment	Total 2022
	£	£	£	£	£	£	£	£
2. Income and endowments								
Donations from church members								
Planned Giving	-	182,233	-	182,233	-	165,231	-	165,231
Tax recovered on Planned Giving	-	43,915	-	43,915	-	40,774	-	40,774
Cash Collections	-	4,560	-	4,560	-	3,625	-	3,625
Church Events	-	1,563	-	1,563	-	1,775	-	1,775
	-	232,271	-	232,271	-	211,405	-	211,405
Other donations								
Donations, appeals etc	104,895	15,483	-	120,378	17,476	15,131	-	32,607
Other Income	-	6,322	-	6,322	2,819	1,033	-	3,852
Grants	13,411	2,640	-	16,051	-	10,399	-	10,399
	118,306	24,445	-	142,751	20,295	26,563	-	46,858
Other trading activities								
St. Luke's Flat Rent	-	24,756	-	24,756	-	13,698	-	13,698
Fees	-	219	-	219	-	482	-	482
Church Hall	-	20,079	-	20,079	-	17,249	-	17,249
Other Income	-	-	-	-	-	-	-	-
	-	45,054	-	45,054	-	31,429	-	31,429
Investment Income								
Dividends and Interest	-	1,484	-	1,484	-	262	-	262
Interest from Endowments	-	-	-	-	-	-	12	12
	-	1,484	-	1,484	-	262	12	274
Other income								
Proceeds from sale of fixed assets	-	50	-	50	-	-	-	-
Total Income	118,306	303,304	-	421,610	20,295	269,659	12	289,966
3. Expenditure								
	£	£	£	£	£	£	£	£
Costs of generating donations								
Church maintenance and running expenses	5,670	47,907	-	53,577	409	63,800	-	64,209
Church Family	-	10,162	-	10,162	-	9,221	-	9,221
Church groups	402	2,876	-	3,278	1,639	79	-	1,718
Leadership Costs	-	3,763	-	3,763	-	2,186	-	2,186
Worship Costs	2,894	5,458	-	8,352	4,795	4,430	-	9,225
Support Costs	-	28,850	-	28,850	-	19,211	-	19,211
	8,966	99,016	-	107,982	6,843	98,927	-	105,770
Costs of trading activities								
St. Luke's House Running costs	7,226	5,976	-	13,202	4,694	3,934	-	8,628
Church Hall Running Costs	-	4,662	-	4,662	-	4,589	-	4,589
Rental Properties	-	19	-	19	-	352	-	352
Support Costs	-	7,556	-	7,556	-	5,032	-	5,032
	7,226	18,213	-	25,439	4,694	13,907	-	18,601
Charitable Activities								
Ministry: Diocesan Quota	-	83,072	-	83,072	-	82,342	-	82,342
Clergy Expenses	-	2,662	-	2,662	-	3,120	-	3,120
Children and Youth	-	2,362	-	2,362	-	2,456	-	2,456
Church Outreach Events	-	1,197	-	1,197	-	2,239	-	2,239
Direct Salary Costs	16,314	43,722	-	60,036	-	40,942	-	40,942
Support Costs	-	28,850	-	28,850	2,647	19,211	-	21,858
	16,314	161,865	-	178,179	2,647	150,310	-	152,957
Grants								
Missionary and Charitable Giving:								
Church Overseas	12,090	-	-	12,090	17,380	-	-	17,380
Mission Giving	750	-	-	750	750	-	-	750
Home Mission and other Church Societies	9,789	-	-	9,789	10,975	200	-	11,175
Special Collections	273	-	-	273	4,303	-	-	4,303
Support Costs	-	3,435	-	3,435	-	2,287	-	2,287
	22,902	3,435	-	26,337	33,408	2,487	-	35,895
Total Expenditure	55,408	282,529	-	337,937	47,592	265,631	-	313,223

Notes to the Accounts For the year ended 31 December 2023

4. Net movement in funds	2023 £	2022 £
Is stated after charging:		
Depreciation of owned fixed assets	12,975	10,798
Amounts payable to Independent Examiner: Independent Examination	840	840
Accountancy	1,200	1,200
Operating lease - equipment	600	600

5. Tangible Fixed Assets

	2023			2022		
	Equipment £	Buildings and Improvements £	Total £	Equipment £	Buildings and Improvements £	Total £
Costs						
At 1st January	64,141	365,004	429,145	57,764	365,004	422,768
Additions	9,302	-	9,302	6,377	-	6,377
Disposals	(3,645)	-	(3,645)	-	-	0
At 31st December	69,798	365,004	434,802	64,141	365,004	429,145
Depreciation						
At 1st January	47,891	179,423	227,314	44,393	172,123	216,516
Charge for the Year	5,675	7,300	12,975	3,498	7,300	10,798
Disposals	(3,645)	-	(3,645)	-	-	0
At 31st December	49,921	186,723	236,644	47,891	179,423	227,314
Net Book Value						
At 31st December	19,877	178,281	198,158	16,250	185,581	201,831
At 1st January	16,250	185,581	201,831	13,371	192,881	206,252

6. St. Luke's House and St Luke's Centre

The title deeds of St. Luke's House are vested in the name of the Diocese of Canterbury's Board of Finance Limited. The beneficial interest however is vested in The Parochial Church Council of St. Luke the Evangelist, Maidstone. The property can only be sold with the approval of the Diocese of Canterbury's Board of Finance Limited at which time the charity would be entitled to the full sale proceeds.

7. Debtors	2023 £	2022 £
Trade debtors	1,567	-
Gift Aid Tax recoverable	3,385	4,240
Prepayments and Accrued Income	27,511	2,446
	32,463	6,686

8. Creditors: amounts falling due within one year	2023 £	2022 £
Trade creditors	10,454	-
Other taxes and social security	2,059	1,011
Pension contributions	1,298	1,496
Accruals and Deferred Income	9,118	11,946
	22,929	14,453

Notes to the Accounts

For the year ended 31 December 2023

9. Unrestricted funds

	2023 £	2022 £
Balance brought forward	114,833	117,191
Excess of income over expenditure	23,352	19,950
Transfer	(29,990)	(22,308)
Balance Carried forward	<u>108,195</u>	<u>114,833</u>

Designated funds

	2023 £	2022 £
Balance brought forward	18,506	24,925
Excess of income over expenditure	(2,577)	(15,922)
Transfers	264	9,503
Balance Carried forward	<u>16,193</u>	<u>18,506</u>

Designated funds relate to:

- 1) £4,055 (2022: £6,372) - the value of this designated fund at the year end relates to the net book value of the capital equipment purchased from a release from the legacy designated fund above in 2020.
- 2) £12,134 (2022: £12,134) - closure of endowment cash investment account during 2022 and designated to staff salary costs.
- 3) £4 (2022: £nil) - donations towards and costs of men's events

10. Related Party transactions

During the current or previous financial year, no trustee received any remuneration. All Trustees were reimbursed for out of pocket expenses relating to either travel, the PCC away day or expenses related to other ministries within the church with which they are involved.

11. Staff Costs

	2023 £	2022 £
Wages and salaries	98,675	64,620
Social security costs	2,109	-
Pensions	10,194	6,527
	<u>110,978</u>	<u>71,147</u>

The average number of employees during the period was 5 (2022: 3).

In the current or previous financial year, no members of staff received a salary which fell into the 'over £60,000' higher level as defined in the Charities Statement of Recommended Practice.

12. Support Costs

The Support Costs of the charity have been allocated as follows:

		2023 £	2022 £
42%	Costs of generating donations	28,850	19,211
11%	Costs of trading activities	7,556	5,032
42%	Charitable activities	28,850	19,211
5%	Grants	3,435	2,287
100%	Total support costs	<u>68,691</u>	<u>45,741</u>

The support costs were made up as follows

Staff Costs	53,912	32,030
Print, Postage and Stationery	1,483	2,362
IT Costs	3,288	4,426
Telephone	2,264	1,568
Bank charges	454	86
Depreciation	3,551	3,046
Legal & professional	1,699	63
Governance costs	2,040	2,160
	<u>68,691</u>	<u>45,741</u>

Governance costs were made up as follows

Accountancy & external scrutiny	<u>2,040</u>	<u>2,160</u>
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The Parochial Church Council of the Ecclesiastical Parish of St. Luke the Evangelist, Maidstone

Notes to the Accounts For the year ended 31 December 2023

13. Restricted Funds	At 1st January 2023	Income	Expenditure	Transfer	At 31st December 2023
	£	£	£	£	£
Minor Funds and Special Collections	2,309	273	(887)	(1,153)	542
Cellar/Media Fund	13,294	3,625	(3,028)	-	13,891
St. Luke's Barnabas	3,859	864	(2,000)	-	2,723
St. Luke's House	114,923	-	(4,560)	-	110,363
Gift Day 2021	29,527	-	(8,758)	-	20,769
Mission Giving 2022	8,488	-	-	(8,488)	-
Mission Giving 2023	-	-	(20,629)	38,214	17,585
Building Project 2023	-	100,133	(7,694)	1,153	93,592
Love Where You Live	-	2,000	(297)	-	1,703
SMMIB	-	11,411	(7,555)	-	3,856
	<u>172,400</u>	<u>118,306</u>	<u>(55,408)</u>	<u>29,726</u>	<u>265,024</u>
	At 1st January 2022	Income	Expenditure	Transfer	At 31st December 2022
	£	£	£	£	£
Minor Funds and Special Collections	5,306	12,775	(10,673)	(5,099)	2,309
Cellar/Media Fund	7,330	7,500	(4,928)	3,392	13,294
St. Luke's Barnabas	5,159	20	1,000.00	320	3,859
St. Luke's House	119,483	-	(4,560)	-	114,923
Gift Day 2021	32,174	-	2,647.00	-	29,527
Mission Giving 2021	5,306	-	(5,059)	(247)	-
Mission Giving 2022	-	-	(18,725)	27,213	8,488
	<u>174,758</u>	<u>20,295</u>	<u>(47,592)</u>	<u>24,939</u>	<u>172,400</u>

Special Collections and Minor Funds- These represent the sum of all funds which were less than £2,000 at the start and end of the Financial Year.

Cellar/Media Fund represents gifts received for the conversion of the church cellar into a studio. Permission was subsequently received from the Charity Commission to use these funds towards expenditure on media in the church. This fund also includes amounts transferred from designated funds to spend on new media equipment.

St. Luke's Barnabas is a fund set up to help St. Luke's members with 'one off' financial difficulties.

St. Luke's House represents the money donated by the congregation when St. Luke's House was purchased. This used to purchase and improve the house and the balance represents this rather than actual cash. This amount is reduced annually by a charge for depreciation.

The Gift Day 2021 funds relate to donations received from an appeal towards staffing costs.

The Mission Giving 2022 & 2023 funds relates to the 10% of unrestricted income tithe set by the PCC in relation to annual mission giving. The remaining balance will be distributed during 2024.

The Building Project 2023 fund relates to donations received from appeals to fund a building project to redevelop the church site.

Love Where You Live relates to a grant from Maidstone Borough Council for a community garden.

SMMIB relates to a grant towards the salary of our youth pastor.

14. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Net Current Assets	At 31 December 2023
	£	£	£
Restricted Funds	123,097	141,927	265,024
Designated Funds	4,054	12,139	16,193
Unrestricted Funds	71,007	37,188	108,195
	<u>198,158</u>	<u>191,254</u>	<u>389,412</u>
	Tangible Fixed Assets	Net Current Assets	At 31 December 2022
	£	£	£
Restricted Funds	126,705	45,695	172,400
Designated Funds	6,371	5,716	12,087
Unrestricted Funds	68,755	52,497	121,252
	<u>201,831</u>	<u>103,908</u>	<u>305,739</u>

Notes to the Accounts For the year ended 31 December 2023

15. Financial commitments

There were no capital commitments at the end of the year (2022: Nil).

Total future minimum lease payments under non-cancellable operating equipment leases are as follows:

	2023 £	2022 £
Within one year	100	100

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	83,673	(23,257)
Add back depreciation charge	12,975	10,798
Deduct interest income	(1,484)	(274)
(Increase) in debtors	(25,777)	(4,003)
Increase in creditors	8,476	5,140
	<u>77,863</u>	<u>(11,596)</u>

17. Analysis of grants

	2023		2022	
	Institutional Grants £	Grants to Individuals £	Institutional Grants £	Grants to Individuals £
Church Overseas	12,090	-	17,380	-
Mission Giving	750	-	750	-
Home Mission and other Church Societies	5,675	4,114	10,175	1,000
Special collections	273	-	263	4,040
	<u>18,788</u>	<u>4,114</u>	<u>28,568</u>	<u>5,040</u>

Recipients of Institutional grants

	2023 £	2022 £
A Rocha	770	770
All Saint's PCC	1,000	-
Bible Society	1,210	1,210
Children's Society	240	263
CMS	1,100	1,100
Compassion	1,120	1,100
CPAS	825	825
Crossline	825	825
Demelza House	-	200
Family Trust	825	1,650
Friends of Tollara	-	1,210
Heart of Kent Hospice	-	200
Home for Good	750	750
International Justice Mission	1,100	1,100
Kampala Children's Centre	1,320	1,320
Lawrence Barham Memorial Trust	1,210	1,209
Maldstone Street Pastors	550	550
Maldstone Winter Shelter	825	825
Mike Campbell Foundation	1,100	1,100
Open Doors	760	760
Princess Project	838	-
Salvation Army	-	40
Soteria Trust	1,210	1,210
St Martin's	-	5,059
Tearfund	1,210	5,291
	<u>18,788</u>	<u>28,568</u>

Recipients of grants to individuals

	2023 £	2022 £
Barnabus fund grants made to members with financial difficulties	2,000	1,000
Ukrainian refugees	2,114	4,040
	<u>4,114</u>	<u>5,040</u>

Notes to the Accounts For the year ended 31 December 2023

18. Church Workers Pension Fund (CWPF)

St Luke's (Maidstone) PCC participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of St Luke's (Maidstone) PCC and other participating employers.

CWPF has two sections:

- 1) the Defined Benefits Scheme
- 2) the Pension Builder Scheme, which has two subsections;
 - a) a deferred annuity section known as Pension Builder Classic, and
 - b) a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

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 means that 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: £10,194; 2022: £6,527).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

The legal structure of the scheme is such that if another employer fails, St Luke's (Maidstone) PCC could become responsible for paying a share of the failed employer's pension liabilities.

