

St Luke's Church

St Albans



Bringing God's
Grace to Life

Annual Report and Financial Statements of the Parochial Church Council of St Luke's Church, St Albans

For the year ending 31st December 2022

Address:

St Luke's Church
Cell Barnes Lane
St Albans AL1 5QJ

Web site: www.saint-lukes.co.uk

Bankers:

CAF Bank Limited
Kings Hill, West Malling, Kent, ME19 4JQ
Metro Bank PLC
One Southampton Row, London, WC1B
5HA

Incumbent (from June 2022):

Rev Alex Huzzey
St Luke's Vicarage
46 Cunningham Hill Road
St Albans AL1 5BY

Independent Examiner:

John R Eke, FCIE
Soarview, 4 Stable Court,
Malborough, Devon TQ7 3FB

Registered Charity number 1133957

1 Aim and Purpose

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC (Powers) Measure 1956 requires the PCC to co-operate with the vicar in promoting in the parish the whole mission of the Church: pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of our buildings - the Church, the attached Halls and surrounding churchyard.

2 Objectives and Activities

The PCC helps our members realise the Church's vision which sets before us a picture of who we, as a Christian Community, are striving to become and by which to live our Christian lives:

***God is at work transforming us into an inclusive community of grace
where together we are striving to grow in Christ...
... a hub from which we go out in His Spirit, sharing His love through
generous service, drawing people into a living personal faith, and
transforming the world around us.***

In setting our objectives and planning our activities, the members of the PCC have carefully considered the Charities Commission's general guidance on public benefit. It is the church's aim to do this as expressed in our mission statement:

***Bringing God's Grace to Life, through...
Receiving God's Grace in all its fullness
Living by God's Grace in the Christian Community
Sharing God's Grace in God's World***

2022 has been about building back from the pandemic.

The 10am service has grown over the course of the year, as has attendance at the coffee morning, Knit and Natter, and the Friday lunch.

A new 'Tea & Tots' group was launched on Wednesday morning for parents, grandparents and carers of children aged 0-4.

All our weekly activities have been advertised to the community as part of the 'Warm Welcome' scheme, a national response to the rocketing energy prices offering people access to warm spaces in the community.

A mid-week CYFA group (for teenagers) has started up in the vicarage drawing in 5-6 young people each week.

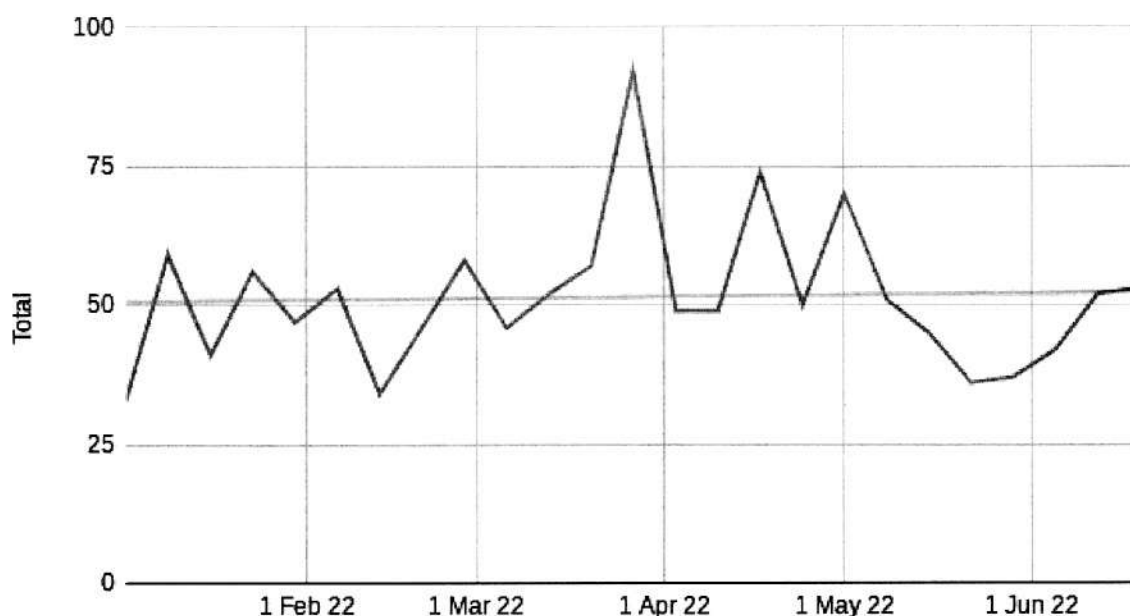
An 8.30am communion service was trialled during Advent (which has now been replaced by a midweek communion service after the Coffee morning, which is attracting similar numbers to the pre-pandemic 9am service).

3 Review of the Year

3.1 Church Attendance

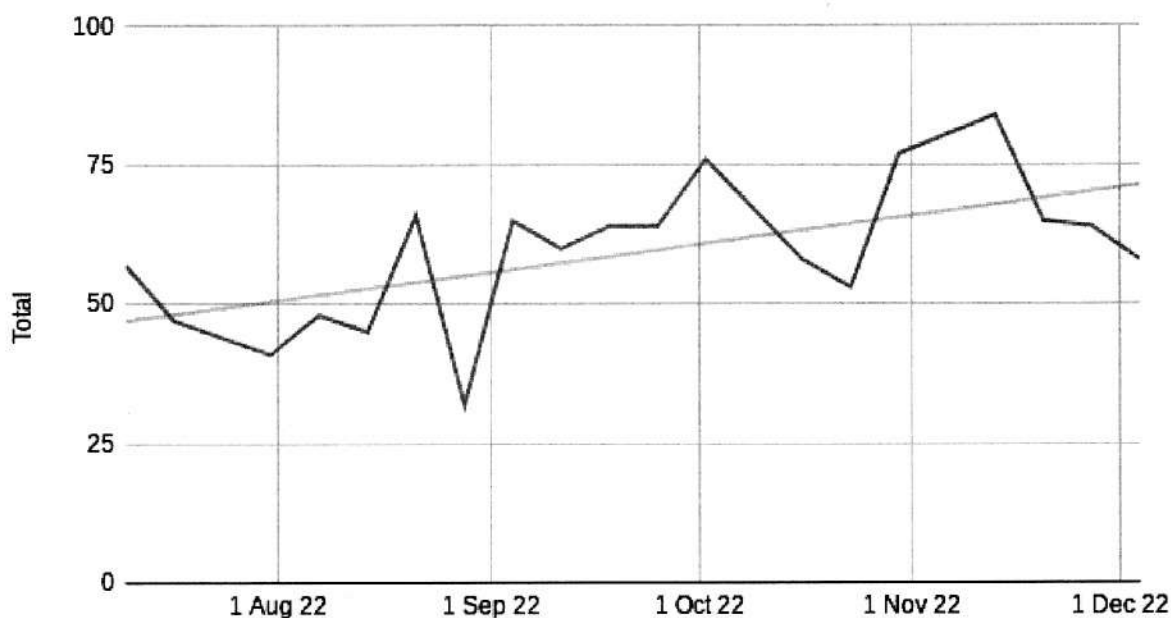
Attendance in person at the 10am service remained relatively flat during the first half of 2022 (this data removes 'special' Sundays such as baptisms and festivals):

First six months of 2022



However, attendance increased during the second half of the year. This was a combination of people returning after Covid and new people joining the church ('special' Sunday data removed):

Second six months of 2022



There were 105 (112 in 2021) names on the Church Electoral Roll as of the end of 2022, of whom 51 (50 in 2021) were not resident within the parish, with 54 in the parish.

Average attendance at the 10am service in October/November 2022 is noted in the table below. Figures for previous years are also shown in the table below, though direct comparison is difficult as it is uncertain how many attended 2021 services online.

Our services continue to be livestreamed each week.

Church Attendance	2018	2019	2020	2021	2022
9am service:	14	12	*		
10am Service:	71	78	*	48	69
Total:	85	90	*	48	69

* on-line attendance only

In-person attendance at the Nativity Service was 69 in 2022 (65 in 2021), with 72 in 2022 (49 in 2021) at the Carol Service and 36 in 2022 (14 in 2021) at the Midnight Service. A Christingle service was organised on Tuesday afternoon, 20 December 2022 and attracted a total of 147 people (57 in 2021). 88 people attended our Christmas Day Celebration (57 in 2021).

Other major services: our Mothering Sunday service was attended by 92 people in 2022 (online only in 2021), 74 attended in 2022 on Easter Day (68 in 2021) and 103 attended in 2022 (47 in 2021) on Shoebox Sunday.

Children and young people's groups continued throughout 2022, and a Wednesday evening CYFA group started up again, with a regular attendance of 5-6. A highlight of the year was a 'Light Party' which took place in the upper hall on Sunday 30 October whilst the main service took place in the main church, which drew in a number of families who don't usually attend the morning service. A new 'Holy Cow' initiative in 2023 plans to build on this Sunday morning ministry.

We are indebted to Jess Small for doing the job of Children's and Youth coordinator. Jess stepped down at the end of the year and Jodie Promod has taken over in leading this area of our life together.

Assemblies at Samuel Ryder continued this year, assemblies at Cunningham started up again, and in 2023 St Luke's will also be doing assemblies in Camp School. Children from all four local schools visited St Luke's as part of their RE syllabus during 2022.

3.2 PCC

The PCC met nine times during 2022 (either in person or by Zoom). Various committees and teams met between meetings and reported to the PCC as required.

3.3 Rev David Halsey

We were so blessed that David Halsey, who joined us as Curate in 2018, was able to continue at St Luke's as Associate Minister, remaining throughout the vacancy. He and Celia have been generous and gracious in giving of their time, energy, gifts, talent, creativity and wisdom to our community. They left at the end of June to join the Lee Abbey community in Devon, which is a very exciting and well-deserved new opportunity for both of them. Their final service at the end of June 2022, was full of joy as well as sadness as we wished them well.

3.4 Rev Alex Huzzey

Alex Huzzey was installed as vicar of St Luke's at the end of June 2022, arriving with his partner David from St Peter's church, St Albans, where Alex was curate.

3.5 Ministry Team

St Luke's was in vacancy for the first half of the year, and we are hugely in debt to David, Kath, Chris, Jennie and Robert for pouring so much energy into services week in and week out.

Kath began a six-month sabbatical in September 2022, a much-deserved break, an opportunity to explore new business opportunities as well as to recharge her spiritual batteries, and we very much look forward to her returning in April 2023.

3.6 Worship Development

Our focus has been building back up our 10am service. We have had live music at every service during the second half of the year. Sermon series on Acts, an All Souls service to explore the loss and grief of the pandemic period, and a focus on all-age services which drew in much higher numbers for the Shoebox and Christingle services.

We are also indebted to Hannah and Mike Goatly, as well as Hilary Swain and Tommy and Isabelle Promod for leading our sung worship in church. We have also been able to draw on external worship leaders to cover weeks when in-house worship leaders and musicians have not been available.

3.7 Pastoral Care, Safeguarding

Pastoral Care Coordinators

Our network of pastoral care coordinators continue to look out for our congregation. Kath Clough carried this throughout the vacancy, and Alex Huzzey took it on after his arrival in June.

Safeguarding

Ensuring the safety of children and all vulnerable people continues to be a matter of the highest priority for St Luke's. Details of our safeguarding management practices can be found in Section 6.3 below. In 2021 the diocese published new requirements for safeguarding training. These cover everyone in any kind of role of responsibility in the church and include both new courses and enhanced requirements for renewal of training certificates. Everyone who is not up to date has been contacted with details of the training they need to complete, and the PCC is grateful to all those who have completed their necessary training and does ask that everyone continues to do this in a timely manner.

Whether you are in a responsible role or not, please note that if you encounter a situation where there is reason to believe someone of any age may be at risk of harming themselves, or being harmed, or may harm another, it is very important that this is immediately communicated to somebody in authority – either our Safeguarding Officer (Ivor Thomas), a churchwarden (Jennie Hall or Ivor Thomas) or any member of the PCC. In such cases, questions of confidentiality may no longer apply.

Policies and Terms of Reference

The PCC is particularly grateful for the level of care, commitment, and enthusiasm people bring to our many ministries. It is important both that the church does things well and also that it is seen to do things well. Our policies and terms of reference covering all aspects of church life, including safeguarding, are listed on the Lower Hall noticeboard and are available to be consulted in the church office.

4 Financial Review

Overall, we had a *deficit* of £16,247 (vs *surplus* of £6,901 in 2021). Total Income remained broadly unchanged (£160,206 vs £159,671 in 2021) but our Total Expenditure rose by £23,683 (£176,453 vs £152,770 in 2021) mainly due to £32,915 spent towards the Front Garden & Signage project.

4.1 Income and Endowments

Donations - unrestricted donations (£126,821 vs £133,140 in 2021) reflects church membership and attendance over recent years and this decline is expected to continue next year – see Note 2(a) Gift Aid Planned Giving £66,000 (2023 budget) £67,686 (2022), £75,020 (2021), £80,873 (2020) and £81,387 (2019). As church attendance shows signs of recovery post-pandemic, the PCC expect this will lead to increased regular giving from the enlarged membership.

Restricted Total Income £2,768 (detailed in Note 8) is less than prior year (£6,545) because of a number of exceptional 'appeals' in 2021 i.e. two leaving collections.

A breakdown of Income is shown in **Note 2(a)** - Collection plate income £1,253 has recovered from previous low levels (£720 in 2021) as attendance figures start to recover from the pandemic.

St Peter Church Lands (Grants) income remains constant (£33,000 vs £33,500 in 2021) despite the property-based local charity suffering reduced income due to the pandemic and recent improvements in building stock. The charity forecasts this level of income will remain constant over the next few years.

Church Activities (£21,938) detailed in **Note 2(b)** shows is mainly made up of Hall Bookings (£19,752) – 18% increase (£3,040) vs £16,712 prior year, reflecting the impact lockdown restrictions had in early 2021, but not quite back to pre-pandemic levels (£22,636 in 2019) despite hall-hire rate increases over that period.

PCC Fees (from funerals & banns) £1,526 includes £448 Fees which has since been passed on to the Diocese (as expenditure item: Diocese Fees).

Weekend at Home £660 contributions from those attending, helped off-set some of the £942 expenses incurred when running this 'whole church' event.

Other Income Resources. Grants of £6,779 received: £5,000 from Thornton Trust towards Pavement Chapel (Front) Garden; £1,280 from Diocese towards excessively high energy costs; £250 from Diocese for our Warm Welcome initiative; and £250 from Diocese towards expenses to 'reinvigorate' Sunday School attendance.

Investments We don't hold long-term investments. The increase of interest income (£414 vs £31 in 2021) occurred after we opened a Savings Account with Metro Bank (late Oct 2021) which offers a better return than CAF Bank and coincided with the general increase in bank interest rates.

Other Income (£8,265) detailed in **Note 2(d)** £1,486 includes: £967 sponsorship income towards plants acquired for the Front Garden; £518 reimbursement from Diocese for Vicarage utility costs during the vacancy (Diocese: Vicarage Costs).

4.2 Expenditure

Total expenditure on **Church Activities** continues to increase year-on-year (£137,513 vs £134,306 in 2021), whilst **Other Expenditure** (£38,915) mainly comprises of one-off costs for the Front Garden & Signage project (over two years) and completed in summer 2022.

Note 3(a) shows a breakdown of Church Activities: **Mission & Charitable Giving** includes £12,500 (Charity Giving) support of charities via our Mission Committee. Restricted Giving £5,505 comprises payments of monies (Restricted Giving) received for

specific purposes during 2021 & 2022 (including various leaving collections). Members continue to support Irene Rudling, allowing us to continue to send financial support during her retirement. We hold £1,773 available for distribution by Vicar & Churchwardens, along with monies collected on behalf of Wendy Mills, and various donations for other charities (Note 8).

Parish Share £65,145 reflects a continued 20% reduction during the vacancy (£65,897 in 2021) but will rise to £70,326 this coming year. **Other Clergy Costs** £422 (£781 in 2021) relate to expenses of our (since retired) Associate Minister (Jan-Jun) and new Vicar (Jul-Dec).

Church Running Costs rise to £7,247 (£4,984 in 2021) is due to a doubling of energy costs – of which £3,875 is allocated to running the Church (£2,050 in 2021) and partly off-set by £1,280 Grant received from Diocese; £740 (£165 in 2021) of consumables (coffee, wine, etc) as congregation attendance recovers after the pandemic.

Hall Running Costs revert to pre-pandemic levels (£22,306 vs 2019 costs £19,874) of which the most significant items were: £9,711 for the Cleaner (£9,360 in 2019 vs £5,508 in 2021); a doubling of energy costs allocated to the Hall (£3,875 vs £1,964 in 2019 and £2,050 in 2021); however, our water charges £2,070 have also doubled over that period (£1,026 in 2019, £821 in 2020, and £1,894 in 2021) without obvious reason. PCC will investigate to understand the reason.

Staff Costs £17,964 is lower than the previous year (£24,527) as we're no longer paying for a Leader for WOW! nor incurring overtime for the Caretaker (previously paid for decorating, etc).

Other Expenses £2,656 (£3,824 in 2021) includes £1,080 architect fees to conduct the Quinquennial Inspection; £618 vacancy advertising fees; £105 set-up costs for our Warm Space (off-set by £250 grant).

Fund Raising costs £24 are financial transaction commission fees payable for contactless & online donations (whereas prior year £171 also included expenses producing 3-years' worth of envelopes for our weekly/monthly 'cash/cheque' donors).

Other Expenditure (Note 3c) Capital Expenditure includes 32,915 expenses incurred for our Front Garden & Signage project (spend over 2-years totals £45,813, less £967 sponsorship for plants and £5,000 grant, vs budget £40,000).

Capital expenditure for the Hall comprises £2,550 Fire Alarm upgrade and £3,450 new dishwasher.

4.3 Other Financial Notes

Charitable Giving as previous years, the PCC provided £12,500 for the Mission Committee to allocate towards overseas mission (Viva Network & Hands at Work) and local youth charities STEP & the 2:67 project.

Net Movement in Funds (see SOFA) Unrestricted Funds reduced by £13,510 to £149,053 (from £162,563 reserves at the end of 2021).

Cash at Bank (Note 5) dropped slightly to £152,752 (£168,659 in 2021) in-line with the reduction in reserves. We now split our Savings & Current accounts between CAF Bank & Metro Bank (to utilise specific services and benefit from protection of £85,000 for each financial institution, under the Financial Services Compensation Scheme).

Debtors (Note 6) shows £6,683 Gift Aid recovered tax from HMRC (received Jan 2023).

Creditors (Note 7) £3,379 (£3,961 in 2021) due to be paid to suppliers/late expense claims.

4.4 Reserves Policy

As most of our income & expenditure is through regular monthly payments, it is PCC policy to maintain a balance within the **General Fund** which equates to approximately three months' forecasted payments (£27,000) to cover emergency situations that may arise from time to time. Despite the General fund being below levels set by our policy, the PCC consider the overall current level of reserves to be acceptable since the PCC has £149,053 at its disposal within unrestricted funds.

It is the PCC's policy to maintain sufficient funds within the Hall Fund and Fabric Fund to cover planned maintenance / renewal of the buildings. A Long-Term Maintenance schedule is used to assess the necessary reserves level for these funds, including £80,000 provision to replace the church roof within the next five years. Note 9 shows our designated maintenance funds **Hall Fund** and **Fabric Fund** at £22,553 (£25,107 in 2021) and £103,619 (£125,666 in 2021).

Charity Giving (a designated fund) represents £610 (£610 in 2021) remaining balance at the disposal of the Mission Committee.

Restricted Giving (a restricted fund) balance of £7,003 (£9,740 in 2020) are donations received for specific purposes (shown in Note 8).

4.5 Related Parties

The PCC has a policy on Conflicts of Interest, where PCC members will be required to declare any new related parties at each PCC meeting.

Existing related parties include Peter & Gill Kaser in the voluntary role as PCC Treasurer (husband) and paid position as Church Administrator (wife).

5 Plans for the Future

Our new vicar was only six months in post by the end of 2022, so long-term plans for the future are still in development. A PCC away day in summer 2023 will identify new directions working towards a new Mission Action Plan.

However, in the meantime there are two key strategic directions being explored.

One is our ministry to children and young people, via a new 'Holy Cow Kids' church' initiative which is happening every 4-6 weeks, investment in kid groups via the 'Energize' content platform, and increased involvement in local schools, now offering assemblies in three out of four local schools, RE lessons to all, and PSHE lessons (Personal, Social Health & Economic) to Y12 in the local secondary. We have also developed our all-age offering to be truly all-age, and a Christingle service attracted more than 130 people.

A second key strategic direction is how we can work more closely and supportively with the people in our immediate community. A revamped Friday soup and participation in the Warm Welcome initiative has been a start, but partnerships with other organisations may unlock further opportunities.

Additionally, we have been developing initiatives to deepen the faith and worship of our worshipping community, offering a Christian Basics Life Course attended by 30 people, and a series of sermon series to encourage people to think about faith and how it intersects with life.

6 Structure, Governance and Management

The Parochial Church Council (PCC) is a corporate body established by the Church of England and operates under the Parochial Church Council Powers Measure. The PCC is also registered as a charity, and as such PCC members must have due regard to their duties and responsibilities as trustees under the Charities Act.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

6.1 Structure

Alongside the legal requirements of the PCC, the St Luke's terms of reference require it to lead the church in the outworking of its vision. This is facilitated by the delegation of many of its responsibilities to other groups which are accountable to the PCC. The intention is to provide quality space on the PCC's agenda for major discussions that focus on the vision, policies and strategic matters in the Church's life. This work is done alongside the delegation and holding to account of the groups to which power and responsibilities are delegated.

The Church Mission Action Plan, as a working document, forms a key mechanism for communication and accountability between these groups. The PCC now meets roughly six times a year, and more often when required.

The Standing Committee has the power to transact the business of the PCC between its meetings, subject to any direction given by the PCC. The principal purpose of the Standing Committee is to consider and plan the items of business for the PCC. It also helps to progress the work of the PCC between PCC meetings.

6.2 Risks

Risks associated with the Covid-19 pandemic remained our greatest threat during the first half of 2022. It is a tribute to the efforts of many church members and the faithfulness of all of us that St Luke's has continued to operate so effectively. Attendance levels (and membership) has returned to pre-pandemic levels.

The energy crisis resulted in a doubling of our running costs (gas & electricity) for 2022. We received £1,280 grant from the diocese (and government support) towards price rises, we improved church heating controls and reduced heating times.

The current House of Bishops proposal to allow blessings of same sex relationships is proving controversial in some churches and may represent a risk in terms of lost donations from those who feel the proposals are either too inclusive or too exclusive. However, St Luke's has been an overtly inclusive church for several years, so is unlikely to lose members or donations over this issue.

The PCC normally keeps up to date an approved and complete set of policies and terms of reference. A policy review was carried out in early 2022. The list of Terms of Reference and Policies is available to view in the Church Office as are the records of inspections and risk assessments. A full list of those people who carry responsibilities for church life is in the St Luke's "Who's Who" booklet.

6.3 Safeguarding

The PCC has fulfilled its responsibilities as required by section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to House of Bishops' guidance on safeguarding children and vulnerable adults) as follows:

1. **Policies** - policies for keeping children and vulnerable people safe include our Safeguarding Policy and the Young People's Leaders Terms of Reference.
2. **Safeguarding Checking** - All those who work with children and vulnerable people on a regular basis have been checked via the DBS process. From 2017 all PCC members are also required to be DBS checked. Records are kept and maintained by the Safeguarding Officer on the Church Office computer to ensure that every person requiring a DBS check remains current.
3. **Contact Details and Permission Forms** - Contact details and emergency contact numbers are obtained for all young people's activities and groups where parents/carers are not present or close at hand.
4. **Photography** - The parents or carers of all children and young people who access our activities are reminded from time to time via the church news sheet and by permanently displayed notices that they may register their wish that no photos or videos be taken of their child for internal church or social media, church website etc. No child is identified on the internet or social media without parental permission.
5. **Safeguarding Training** - The Safeguarding Officer, those who work with children and vulnerable people, church wardens, PCC members and others are required to undertake safeguarding training every three years.
6. **Training Records** - The Safeguarding Officer keeps a record of who has attended the training, and the date that they will need to be re-trained, on the Church Office computer.
7. **Safeguarding Training for Licensed Ministers** - The diocese administers safeguarding training for clergy, readers and other lay ministers who undertake specific training every three years.
8. **Communication** - Posters highlighting the need for people to be vigilant regarding safeguarding, along with details of the safeguarding officer, are displayed in the entrance to the building.

On-going Safeguarding Activities

- The PCC has safeguarding as a standing item on its agenda.
- All those who require training are alerted to that fact and are helped, if needed, to book onto one of the deanery training sessions.
- The Church membership are reminded from time to time that they share in the responsibility for the safety and well-being of all, with particular regard for children and vulnerable people.
- The Safeguarding Officer provides, on a yearly basis in time for the APCM, an up-to-date list of those with DBS clearance and a record of those who have received safeguarding training. This information will be displayed on a dedicated noticeboard in entrance to our building.

7 Administrative Information

This report is part one of a two-part report for the Annual Parochial Church Meeting (APCM). This part fulfils the requirements of the Charities Act 1993. Part two comprises additional reports that the PCC wish to have presented to the meeting each year.

The Parochial Church Council (PCC) is a charity and the legal body of St Luke's Church, registered charity number 1133957. At the end of the year 2022, membership was as follows:

Eligibility	Name	Role	Term of office
Vicar:	Revd Alex Huzzey	Chair Ex officio	From June 2022
Associate Priest:	Revd David Halsey	Ex officio	From July 2018 to June 2022
Churchwardens:	Jennie Hall Ivor Thomas	Warden Warden Safeguarding	From AMP 2019 (to 2023) Note 1 From AMP 2021 (to 2025) Note 1 From PCC Sept 2019
Readers:	Kath Clough	Ex officio	From July 2016 Note 2
Deanery Synod Representatives:	Chris Swain Kath Clough Chip Crawford	Lay rep PCC Vice Chair Lay rep Lap rep	From APCM 2018 to APCM 2023 Note 3 From APCM 2018 to APCM 2023 Note 3 From APCM 2022 to APCM 2023 Note 3
Elected lay representatives:	Jo Clark Mike Goatly Nigel Harvey Peter Kaser Peter Ellam Tess Hackett	Lay rep Lay rep Lay rep Lay rep Treasurer Lay rep Co-opted Lay rep	From APCM 2020 to APCM 2023 From APCM 2020 to APCM 2023 From APCM 2018 to APCM 2024 From PCC May 2021 to APCM 2024 From PCC May 2001 From APCM 2019 to APCM 2025 From PCC Nov 2021 From APCM 2022 to APCM 2025
Co-opted Members:			
In attendance:	Gill Kaser	PCC Secretary	From March 2006

Note 1 Churchwardens stand for re-election each year, but usually agree to stand for a term of four years.

Note 2 Ex officio, as agreed for all Readers at the APCM 2007.

Note 3 Elected for 3-year term.

This report approved by the PCC on 21 March 2023



Alex Huzzey (Vicar)
On behalf of St Luke's PCC

Independent Examiner's Report
to the Parochial Church Council (PCC) of St Luke's Church, St Albans
Charity No. 1133957

This report on the accounts of the PCC for the year ended 31 December 2022, which are set out on pages 12 to 18, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and section 145 of the Charities Act 2011 ("the Act").

Respective responsibilities of the PCC and Independent Examiner

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement under Section 144(2) of the Act does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under Section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners under section 145(5)(b) of the Act and to be found in the PCC Accountability guidance, 5th edition incorporating SORP 2015.

An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanation from you as members of the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no material matters have come to my attention which gives me reasonable cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not comply with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 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 come across no other matters in connection with the examination to which attention should be drawn in this report to enable a proper understanding of the accounts to be reached.



Signed:

Date: 8 April 2023

John Robert Eke
Fellow of the Association of Charity Independent Examiners

Soarview, 4 Stable Court
Malborough
Devon TQ7 3FB

St. Luke's Church, St. Albans

SOFA for the Year Ended 31 December 2022

		Unrestricted Funds		Restricted Funds		TOTAL FUNDS	
		2021	2021	2021	2021	2022	2021
	Note	£	£	£	£	£	£
INCOME & ENDOWMENTS from:							
Donations & Legacies	2(a)	126,821	133,140	2,219	5,485	129,040	138,625
Church Activities	2(b)	21,938	19,955	-	-	21,938	19,955
Investments	2(c)	414	31	-	-	414	31
Other Income	2(d)	8,265	-	549	1,060	8,814	1,060
TOTAL INCOME		157,438	153,126	2,768	6,545	160,206	159,671
EXPENDITURE on:							
Church Activities	3(a)	132,008	130,652	5,505	3,654	137,513	134,306
Fund Raising	3(b)	25	171	-	-	25	171
Other Expenditure	3(c)	38,915	18,293	-	-	38,915	18,293
TOTAL EXPENDITURE		170,948	149,116	5,505	3,654	176,453	152,770
NET INCOME/(EXPENDITURE)		(13,510)	4,010	(2,737)	2,891	(16,247)	6,901
Transfers between Funds	9						
NET MOVEMENT IN FUNDS		(13,510)	4,010	(2,737)	2,891	(16,247)	6,901
TOTAL FUNDS BROUGHT FORWARD		162,563	158,553	9,740	6,849	172,303	165,402
TOTAL FUNDS CARRIED FORWARD		149,053	162,563	7,003	9,740	156,056	172,303

The notes on pages 14 to 18 form part of these accounts.
The PCC does not have any endowments

St. Luke's Church, St. Albans

Balance Sheet as at 31 December 2022

		2022	2021
FIXED ASSETS	Note		
Tangible		-	-
Investment	5(a)	-	-
Loan to Credit Union			
CURRENT ASSETS			
Debtors	6	6,683	7,605
Short Term Deposits	5(b)	-	-
Cash at Bank and in Hand	5(b)	152,752	168,659
		<u>159,435</u>	<u>176,264</u>
LIABILITIES			
Creditors - Falling Due Within One Year	7	3,379	3,961
NET CURRENT ASSETS		<u>156,056</u>	<u>172,303</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>156,056</u>	<u>172,303</u>
Creditors - Falling Due After One Year		-	-
TOTAL NET ASSETS		<u><u>156,056</u></u>	<u><u>172,303</u></u>
PARISH FUNDS			
Unrestricted	9		
General Fund		22,271	11,180
Designated funds (Hall, Fabric & Charity Giving)		126,782	151,383
Restricted	8	7,003	9,740
Endowment		-	-
		<u>156,056</u>	<u>172,303</u>

Approved by the Parochial Church Council on 21 March 2023 and signed on its behalf by:



Alex Huzzey (Vicar)

The notes on pages 14 to 18 form part of these accounts.

Notes on Accounts

(1) Accounting Policies

The accounts (financial statements) have been prepared in accordance with Church Accounting Regulations 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS 102) 2nd edition published October 2019.

As the PCC income exceeds £100,000 for the year, these financial statements have again been prepared on an accruals basis and investments shown at market 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.

Funds

Restricted Funds represent (a) income from trusts which may be expended only on those restricted objects provided in the terms of the trusts 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 fund, monies are held in the Restricted Giving Fund and as these funds are only held on short-term basis, no interest is apportioned to individual objects.

Unrestricted Funds are general funds which can be used for PCC ordinary purposes. This includes the General Fund (day-to-day activity), Hall Fund (maintenance of Hall) and Fabric Fund (maintenance of Church).

Income & Endowments

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends and interest are accounted for when received. All other income is recognised when receivable. All incoming resources are accounted for gross (i.e. taxation is included where recoverable, such as Gift Aid).

Legacies are accounted for when it has been established there is legal entitlement; they are measurable and they are probably receivable - in accordance with Module 5 FRS 102 SORP 2019.

Expenditure

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 share 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 accounted for gross (i.e. taxation included where chargeable, such as VAT).

Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.10 (2) (a) and (c) 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 and as such not included in the accounts. These items are listed in the church's inventory, which can be inspected (at any reasonable time). As items are acquired, the expenditure has been written off when incurred and therefore these items do not appear as assets.

St. Luke's Church, St. Albans

For the Year Ended 31 December 2022

2 INCOME & ENDOWMENTS

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
2(a) Donations & Legacies							
Planned Giving:							
Gift Aid Donations	67,686				240	67,926	75,020
Tax Recovered	15,960				83	16,043	16,878
Other	4,688				464	5,152	5,745
Collections (open plate)	1,253					1,253	720
Grants	16,500		16,500			33,000	33,500
Donations, Appeals, etc	4,234				1,432	5,666	6,762
Stewardship - Gift Day							
Legacy							-
	110,321		16,500		2,219	129,040	138,625
2(b) Church Activities							
Weekend at Home	660					660	
Hall Bookings		19,752				19,752	16,712
PCC Fees (Funerals, etc) incl. DBF fees	1,526					1,526	1,478
	2,186	19,752				21,938	19,955
2(c) Income from Investments							
Interest (Bank & Loan)	46		368			414	31
	46		368			414	31
2(d) Other Incoming Resources							
Grants - General	6,779					6,779	1,765
Other Income	1,486				549	2,035	1,060
	8,265				549	8,814	1,060
TOTAL INCOME	120,818	19,752	16,868		2,768	160,206	159,671

3 EXPENDITURE

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
3(a) Church Activities							
Overseas Missionary and Charitable Giving:							
Irene Rudling					720	720	720
Wendy Mills						-	-
Hope Gardens (Bishop Samuel)					120	120	-
Mission Aviation Fellowship					120	120	-
Viva Network Harare Project				3,000	737	3,737	3,600
Hands @ Work				3,000	1,947	4,947	3,000
Christian Aid (DEC)					387	387	-
Home Mission:							
STEP				4,500		4,500	4,500
Food Bank					28	28	-
2:67 Project				2,000		2,000	2,000
						-	-
Other Restricted Giving							
Expenditure - Restricted Giving (note 8)					1,446	1,446	2,934
				12,500	5,505	18,005	16,754
Ministry Costs:							
Diocesan Parish Share	65,145					65,145	65,897
Other Clergy Costs	422					422	781
Church Running & Maintenance	7,247					7,247	4,984
Teaching, Meetings & WOW	685					685	447
Publicity	380					380	74
Weekend at Home	942					942	-
Hall Running Costs		22,306				22,306	16,407
Staff Costs	17,964					17,964	24,527
Stationery and Administration Costs	728					728	504
Other Expenses	2,656					2,656	3,834
Diocese: Fees & Vicarage Costs	951					951	-
Bank Charges	82					82	97
	97,202	22,306		12,500	5,505	137,513	134,306
3(b) Fund Raising	25					25	171
3(c) Other Expenditure							
Front Garden & Signage			32,915			32,915	12,898
Church (& Entrance Roof) Maintenance						-	-
Hall Maintenance (Fire Alarm upgrade)			2,550			2,550	-
Church Capital Expenditure						-	5,395
Dishwasher			3,450			3,450	-
			38,915			38,915	18,293
TOTAL EXPENDITURE	97,227	22,306	38,915	12,500	5,505	176,453	152,770

4 STAFF COSTS

The church employed the following part-time staff: Leader of WOW! (Review of the Year), Church Administrator and Caretaker.
Full-time Equivalent = 1

4(a) Payroll

	Total 2022	Total 2021	
Wages and Salaries	16,610	18,413	
Social Security Costs			
Pension Costs (see note 4(c) below)	1,354	1,433	
Self Employed Staff		4,682	-100.0%
	17,964	24,528	
Admin Support for Rural Dean	-		
Staff Costs for PCC (note 3(a) above)	17,964	24,528	-26.8%
Other (Hall & Fabric costs)			

4(b) Payments to PCC Members

Alex Huzzey received £860 expenses performing his role as Vicar.

David Halsey received £555 expenses performing his role as Associate Minister.

Other PCC members received expenses on behalf of the PCC.

Related parties to PCC members:

- Peter Kaser (Treasurer) husband to Gill Kaser who received £15930 salary + £1354 pension as Administrator;

4(c) Church Workers Pension Fund (CWPF)

St Luke's (St Albans) PCC participates in the Pension Builder Scheme section of the Church Workers Pension Fund for lay staff. See Staff Costs (above) for the value of contributions made this year. The Church of England Pensions Board administers the Pension Builder Scheme, which is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. Pension Builder Classic provides a pension for members for payment from retirement, 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. Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement.

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. This 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.

A valuation of the scheme is carried out once every three years. The most recent valuation was December 2019. For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time. The legal structure of the scheme is such that if another employer fails, St Lukes PCC could become responsible for paying a share of that employer's pension liabilities.

5 FIXED ASSETS, CASH & DEPOSITS

5(a) Investments

Movements in the year:

Market Value - 1 January

Purchase (Disposal) of Assets

Net Gain (Loss) on Annual Revaluation

Market Value - 31 December

5(b) Cash and Deposits

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
Cash at Bank - Current	2,000					2,000	2,000
Cash at Bank - Savings	15,951	23,417	103,619	610	7,003	150,600	166,524
Cash in Hand	152					152	135
CBF Deposit							
COIF Charity Funds							
	18,103	23,417	103,619	610	7,003	152,752	168,659

6 DEBTORS

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
Income Tax Recoverable	6,683					6,683	7,605
Hall Income						-	-
Loans / Advances						-	-
Other Debtors						-	-
	6,683					6,683	7,605

7 LIABILITIES

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
Accruals (energy usage - not yet paid)		864				864	1,645
Other Creditors	250					250	250
Creditors for Goods and Services	2,265					2,265	2,066
	2,515	864				3,379	3,961

8 FUNDS

Restricted Fund monies can only be used for certain purposes.

The Building Fund represents funds raised through building appeals for development of our buildings.

The Restricted Giving Fund holds other restricted funds not covered in the fund above.

	Opening Balance	Income	Transfer	Expend - iture	Closing Balance
Restricted Giving Fund					
Vicar and Churchwardens' Account	1,773				1,773
Irene Rudling	3,173	100		(720)	2,553
Wendy Mills	2,232				2,232
Hands at Work	1,557	760		(1,947)	370
Other Missions/ Charities	1,005	1,908		(2,838)	75
	9,740	2,768		(5,505)	7,003
Designated Funds					
Charity Giving	610		12,500	(12,500)	610
Hall Fund	25,107		19,752	(22,306)	22,553
Fabric Fund	125,666		16,868	(38,915)	103,619
	161,123	2,768	49,120	(79,226)	133,785

9 SUMMARY OF FUND MOVEMENTS

	General Fund	Hall Fund	Fabric Fund	Charity Giving	Restrict Giving	Total 2022	Total 2021
Movement of Funds							
Opening Balance	11,180	25,107	125,666	610	9,740	172,303	165,402
Incoming Resources	157,438				2,768	160,206	159,671
Resources Expended	(97,227)	(22,306)	(38,915)	(12,500)	(5,505)	(176,453)	(152,770)
Allocation to Charitable Giving	(12,500)			12,500		-	-
Transfers between Funds	(36,620)	19,752	16,868			-	-
	22,271	22,553	103,619	610	7,003	156,056	172,303

Summary of Assets by Fund

Investment Fixed Assets							
Current Assets:							
Cash and Deposits	18,103	23,417	103,619	610	7,003	152,752	168,659
Debtors	6,683					6,683	7,605
	24,786	23,417	103,619	610	7,003	159,435	176,264
Current Liabilities:							
Liabilities (due within one year)	2,515	864				3,379	3,961
	22,271	22,553	103,619	610	7,003	156,056	172,303