

ST LUKES PCC EDGBASTON, BIRMINGHAM

Charity Registration number : 1161342

**REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

TRUSTEES ANNUAL REPORT

Administrative Information

| | |
|--------------------------------|--|
| Registered Charity Number | 1161342 |
| Principal / registered address | St Luke's Church Centre, Great Colmore Street, Birmingham, B15 2AT |
| Bankers | Lloyds Bank 36-38 New Street, Birmingham, B2 4LP CCLA Senator House, 85 Queen Victoria Street, London, EC4V 4ET CAF Bank 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ |
| Auditors | Knight Goodhead Limited 7 Bournemouth Road, Chandler's Ford, Eastleigh, Hampshire, S053 3DA |

St Luke's Edgbaston is part of the Diocese of Birmingham within the Church of England. The correspondence address is Priest in Charge, St Luke's Edgbaston, Great Colmore Street B15 2AT. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006).

The PCC Members who have served at any time from 1st January 2022 until the date of this report was approved are:

Ex Officio Members

Rev'd Tim Hughes (Chair) – Vicar
Rev'd Nick Drake – Priest of the Parish
Rev'd Ali Herbert – Curate
Rev'd Timothy Bateman – Priest of the Parish
Rev'd Katie Stock - Curate (licensed June 2021 – became Curate-in-Charge of the Parish of Christchurch Summerfield January 2023)
Jonathan Pearson – Warden
Mamfuka Chilengwe – Warden

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

Elected Members

Hannah Miller

James Bird - Safeguarding Lead

Akhil Shar

Henry Rattle – elected May 2022

Oliver Snelling – elected May 2022

Elisabeth Hubbard – elected May 2022 by virtue of role as Secretary – stepped down April 2023

Janet Readings – resigned May 2022

Thembi Sithole - resigned January 2022

Deanery Synod Elected Members

Frank Harper (Treasurer & Deanery Synod Rep)

Anna Hellebronth – resigned April 2023

Tendi Mudzvovera – resigned February 2023

Nick Harding – elected May 2022

Gavin Darman – elected May 2022

Ex officio Deanery Synod

Trevor Lewis (Deanery Synod Rep) – resigned January 2023

Structure, Government and Management

The method of appointment of PCC members is set out in the Church Representation Rules. At St Luke's Edgbaston, the membership of the PCC consists of the Vicar, the Parish Priests, the Church Wardens and then six members elected by the congregation who are on the electoral roll of the Church. In addition, there are five ex officio members who are members of the PCC by virtue of their membership of Deanery Synod.

On 22nd January 2022, a Bishops Mission Order (BMO) set up the Mission Initiative to be known as Gas Street South. That BMO noted the following;

*Organisation, governance, finance and management and control of property;
As part of the Gas Street family the Mission Initiative will operate from within the structures of Gas Street.*

In preparation for this, the PCC approved in its meeting in October 2021, then tabled and explained at the 2022 APCM, that the size of the PCC would remain the same* but that there would be two representatives from each church location (Gas Street Church, Gas Street St Luke's and Gas Street South) to ensure representation and good governance.

(*In the APCM of 2021, a resolution was passed to extend the membership of the PCC to seven; the seventh member always to be the PCC Secretary. This enables all locations to be represented and for the PCC Secretary to be a voting member and not a co-opted position. This resolution took effect at the APCM in May 2022. Elisabeth Hubbard was elected to the PCC by virtue of her role as PCC Secretary.)

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

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

The full PCC meets a minimum of four times a year with an average attendance rate of over 80%. To ensure effective governance throughout the year, the following bodies are also part of the Governance structure;

Standing Committee – The Standing Committee (SC) as detailed in Church Representation Rules (2017), is a committee of the Parochial Church Council (PCC), and reports to the PCC. Specifically, it is empowered to transact the business of the PCC between the meetings thereof subject to any directions given by the PCC. The SC consists of the Vicar, the Associate Vicar, the two churchwardens, the Treasurer and the PCC Secretary. It was agreed that an additional PCC member may join the meeting from time to time if felt necessary to ensure that all locations were represented.

Location Committees – each church location has a committee, chaired by the location pastor. These Committees have no delegated authority, but their purpose is to discuss and pray for the location and feedback to the PCC on any decisions or changes they feel are necessary. These location committees will meet several times a year at the discretion of their Chair.

Aims and Purposes

St Luke's Parochial Church Council (PCC) has the responsibility of co-operating with the Vicar, Reverend Tim Hughes and the Parish Priests, in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also responsible for the maintenance of Gas Street Central, Gas Street, Birmingham and Gas Street St Luke's, Great Colmore Street, Birmingham.

Objectives and Activities

The PCC is committed to enabling the two locations which make up the parish of St Luke's Edgbaston (Gas Street St Luke's and Gas Street Central) and the Mission Initiative, Gas Street South, to provide light and hope for the people in the city of Birmingham through the worship within the church buildings and through actions and activities in the community and beyond.

The PCC maintains an overview of worship at both church sites and advises on how the different congregations work together bringing their different gifts and skills to reach more people in Birmingham.

Building Church Community in 2022

This year has seen an exciting growth both in the size of our church community and its representation. At Gas Street Central the growth of our worshipping community on a Sunday has been such that we made the decision in the latter months of 2022 to create an additional service on Sunday morning. This enables us to welcome more people to the church community and provide provision for their children. At Gas Street St Luke's, we have similarly seen an exciting growth in numbers gathering on a Sunday morning as new worshippers come and join the faithful body that have been worshipping there for many years. Again, to accommodate these growing numbers we have changed the service times to give the worshipping community more time to spend together whilst still accommodating a weekly communion for those who want it. The community continues during the week as church members gather in our Gas Street Groups; these can range from more traditional Bible studies and praying for a particular part of the world or country to groups who meet to run and play netball. Our

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

youth and student mid-week groups are growing and thriving as we seek to provide church community for all ages.

One of our aims is to build a church community that is diverse and represents the diversity of the city we live in. Whilst we still have a way to go, we have been excited to see changes in 2022 reflecting our diversity. We now have an active Farsi speaking community and our Sunday morning gatherings at Gas Street Central are contemporaneously translated into Farsi. In addition, we hold a Farsi gathering weekly to enable this community to meet and worship in their own language. Our community at Gas Street St Luke's is starting to reflect the diversity of the community around it in a more meaningful way; helped by the weekly groups held at the church and the work in local schools. We were encouraged by the results of a whole church survey in 2022 which noted an increased diversity within the church community. It did note areas where we need improvement, and we are looking to see what can be done and how we continue to move forward and grow to be a church community that truly represents the city of Birmingham and its wealth of cultures and heritage.

Expanding Church Community in 2022

Church planting and opening more locations to extend our church community has always been a key part of the church. During this year we have seen the following:

Gas Street South – this Mission Initiative commenced under a Bishop's Mission Order in January 2022. It is led by the Rev'd Mike Darbandi and under the governance of St Luke's. This is now a thriving and growing community with provision for children and youth and mid-week groups. The average attendance on a Sunday is around 200 (this includes youth and children). The next stage for this community is to find a permanent building as it's currently meeting in a school. We hope to make some progress with this in 2023.

Christchurch Summerfield – a group from St Luke's have gone with Rev'd Katie Stock to plant a church in Edgbaston in southwest Birmingham. Their first service was early 2023 although the planting group has been meeting for the latter six months of 2022. A small congregation exists at Christchurch, and Rev'd Stock has been licensed as the Curate-in-charge of the parish. We are excited about this church plant and look forward to seeing what God will do in this area of our city. This church plant will not come under the governance of the St Luke's parish as it is an existing parish with its own PCC governance.

Reaching the Wider Community around our Church Community in 2022

Our presence in the wider Community under the Love Your Neighbour umbrella has seen exponential growth during 2022. What started as a project to provide food parcels during the Covid-19 pandemic has grown and now provides the following;

- Food bank and emergency parcels for those in crisis
- CAP Debt Centre – advising and supporting those struggling with debt to become debt free
- The Community Shop – members receive a weekly food shop at a very discounted price
- CAP Job Club – a course supporting those looking for work as well as 121 support
- Kids Matter – courses and community for parents and carers of under 12s
- English Conversation Groups – a space to practise English and grow in confidence
- Refugee Support – support for refugees and asylum seekers
- Time Out For Families; children with special needs – parenting courses supporting parenting children with special needs

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

- Sensory Classes – for children with autism and neurodiversity
- Community Choir – a space to build confidence and community
- Craft Club – a place to be creative and build community
- Salsa Classes – exercise and community
- Love Christmas – during the Christmas period we distributed ‘Bags of Kindness’ across the city for those in need, delivered Christmas Hampers and put on a Christmas Fun day

There is so much we can do within our community and so in 2023 we will continue with this work seeking to reach as many as we can with practical help and an invitation to hear the Gospel.

Electoral Roll for the Parish

Currently there are 465 on the roll as recorded at the APCM May 2022.

Financial Review

The Gas St building was purchased by the Birmingham Diocese in 2015 and all the funds raised and project spend was handled on behalf of St Luke’s by the Birmingham Diocese Board of Finance (BDBF) until 30th June 2016. To enable the BDBF to fund the purchase the Gas St congregation committed to service two loans: (i) a loan of £730,000 with interest being charged at base rate plus 3.5%; and (ii) and an interest free loan of £340,000 repayable in annual instalments over 5 years, which was repaid in full during 2021. The loan balance outstanding as at 31st December 2022 was £663,637.

The total income for the year ended 31 December 2022 on unrestricted funds was £1,821,255 (2021: £1,006,865). The details of the income from donations of £1,493,554 (2021: £910,681) is shown in the Financial Statements. The Great Colmore Street church centre is used significantly by the local community and produced an income for the year of £93,230 (2021: £36,175).

The restricted fund income for the year of £243,516 (2021: £270,810) included a generous gift of £26,299 from St Martin Trustees to help provide financial support for staff costs.

We received a matched funding grant of £149,796 from the Church Revitalisation Trust under the Love Your Neighbour (LYN) scheme agreement.

The total expenditure for the year in respect of unrestricted funds on Christian ministry was £1,533,912 (2021: £1,004,501) and this included total direct and indirect staff costs of £799,557 (2021: £544,946).

The net result for the year shows a surplus of £307,911 (2021: £78,126), and an unrestricted funds balance of £1,163,797 (2021: £856,210).

ST LUKES PCC EDGBASTON, BIRMINGHAM

YEAR ENDED 31 DECEMBER 2022

Reserves Policy

St Luke's scope of operation has increased dramatically since the opening of the Gas St site in 2016; it is however ensuring that it maintains sufficient cash to meet at least 3 months unrestricted payments.

Additional Information

The PCC would like to thank all the volunteers on both church sites who work tirelessly to make St Luke's Edgbaston a welcoming, worshiping and outward looking community. Many of these volunteers go unseen and unrecognised but the PCC is so thankful for their commitment, energies and time.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practise (UK GAAP).

The Charities Act requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which 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 Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by

Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST LUKES PCC, EDGBASTON, BIRMINGHAM

Opinion

We have audited the financial statements of St Luke's PCC, Edgbaston (the Charity and the Group), for the year ended 31 December 2022, which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the consolidated Cash flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis of opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST LUKES PCC, EDGBASTON, BIRMINGHAM

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of the trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We identified the laws and regulations applicable to the Charity through discussions with trustees and other management and we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST LUKES PCC, EDGBASTON, BIRMINGHAM

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships, tested journal entries to identify unusual transactions and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Knight Goodhead Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CJ GOODHEAD FCA

Dated:

Senior Statutory Auditor

Knight Goodhead Limited

Chartered Accountants and Statutory Auditors

7 Bournemouth Road, Chandler's Ford, Eastleigh, Hampshire, SO53 3DA

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2022 £ | Total 2021 £ |
|--|-------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| INCOME | | | | | | |
| Donations and legacies | | 1,493,554 | 13,951 | - | 1,507,505 | 949,861 |
| Charitable activities | | 115,332 | - | - | 115,332 | 43,132 |
| Trading activities | | 80,625 | 12,605 | - | 93,230 | 36,175 |
| Investments | | 12,767 | 251 | - | 13,018 | 10,834 |
| Other income | | 118,977 | 216,709 | - | 335,686 | 237,673 |
| Total income | 3 | 1,821,255 | 243,516 | - | 2,064,771 | 1,277,675 |
| EXPENDITURE | | | | | | |
| Charitable activities | 4 | 1,533,912 | 234,448 | - | 1,768,360 | 1,251,107 |
| Total expenditure | | 1,533,912 | 234,448 | - | 1,768,360 | 1,251,107 |
| NET INCOME BEFORE GAINS AND LOSSES | | 287,343 | 9,068 | - | 296,411 | 26,568 |
| Investment gains and losses | 9 | (47,364) | - | (1,136) | (48,500) | 51,558 |
| Gain on revaluation of fixed asset investments | 9 | 60,000 | - | - | 60,000 | - |
| NET INCOME BEFORE TRANSFERS | | 299,979 | 9,068 | (1,136) | 307,911 | 78,126 |
| Transfers between funds | | 7,608 | 926 | (8,534) | - | - |
| NET MOVEMENT IN FUNDS | | 307,587 | 9,994 | (9,670) | 307,911 | 78,126 |
| FUND BALANCES AT 1 JANUARY 2022 | | 856,210 | 147,826 | 9,670 | 1,013,706 | 935,580 |
| FUND BALANCES AT 31 DECEMBER 2022 | 14 | 1,163,797 | 157,820 | - | 1,321,617 | 1,013,706 |

BALANCE SHEET AS AT 31 DECEMBER 2022

| | Notes | Group 2022 £ | 2021 £ | Charity 2022 £ | 2021 £ |
|---|-------|--------------------|-----------|----------------------|-----------|
| FIXED ASSETS | | | | | |
| Investments | 9 | 614,974 | 612,004 | 614,975 | 612,005 |
| Tangible assets | 8 | 691,814 | 725,931 | 691,814 | 725,931 |
| | | 1,306,788 | 1,337,935 | 1,306,789 | 1,337,936 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 92,077 | 58,566 | 122,519 | 63,661 |
| Cash at bank and in hand | | 697,103 | 455,831 | 697,103 | 435,831 |
| | | 789,180 | 514,397 | 819,622 | 499,492 |
| CREDITORS: amounts falling due within one year: | 11 | (177,077) | (174,989) | (167,077) | (138,372) |
| NET CURRENT ASSETS | | 612,103 | 339,408 | 652,545 | 361,120 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,918,891 | 1,677,343 | 1,959,334 | 1,699,056 |
| CREDITORS: amount falling due in more than one year | 12 | (597,274) | (663,637) | (597,274) | (663,637) |
| | | 1,321,617 | 1,013,706 | 1,362,060 | 1,035,419 |
| FUNDS | 13-15 | | | | |
| Unrestricted: | | | | | |
| Designated | | 155,593 | 407,279 | 196,036 | 428,992 |
| Capital revaluation | | 238,025 | 178,025 | 238,025 | 178,025 |
| Other unrestricted | | 770,179 | 270,906 | 770,179 | 270,906 |
| | | 1,163,797 | 856,210 | 1,204,240 | 877,923 |
| Restricted | | 157,820 | 147,826 | 157,820 | 147,826 |
| Endowment | | - | 9,670 | - | 9,670 |
| TOTAL FUNDS | | 1,321,617 | 1,013,706 | 1,362,060 | 1,035,419 |

Signed on behalf of the PCC by:

.....

Trustee

Date:

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | 2022 £ | 2021 £ |
|--|-------|----------------|-----------------|
| NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES | 1 | 260,796 | 79,808 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest received | | 13,018 | 10,834 |
| Purchase of fixed assets | | (41,072) | (135,762) |
| Disposal of investments | | 8,530 | - |
| NET CASH FLOW | | <u>241,272</u> | <u>(45,120)</u> |
| | | 2022 £ | 2021 £ |
| Cash at the end of the year | 2 | 697,103 | 455,831 |
| Cash at start of the year | | 455,831 | 500,951 |
| Increase/(decrease) in cash in the year | | <u>241,272</u> | <u>(45,120)</u> |

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

1 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|---|----------------|---------------|
| Net movement in funds for the year | 307,911 | 78,126 |
| Dividends and interest received | (13,018) | (10,834) |
| Depreciation | 75,189 | 60,875 |
| (Increase) / decrease in debtors | (33,511) | 3,578 |
| Increase in creditors | 12,088 | 47,621 |
| (Decrease) in debt | (76,363) | (48,000) |
| Loss / (gain) on investments | (11,500) | (51,558) |
| Net cash flow from operating activities | <u>260,796</u> | <u>79,808</u> |

2 ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2022 £ | 2021 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 697,103 | 455,831 |
| | <u>697,103</u> | <u>455,831</u> |

3 ANALYSIS OF CHANGE IN NET DEBT

| | 2021 £ | Cash flows £ | Other non- cash changes £ | 2022 £ |
|--------------------------|------------------|-----------------|---------------------------------|------------------|
| Cash at bank and in hand | 455,831 | 241,272 | - | 697,103 |
| Borrowings | | | | |
| Debt due within one year | (86,363) | 66,363 | (56,363) | (76,363) |
| Debt due after one year | (663,637) | - | 66,363 | (597,274) |
| | <u>(750,000)</u> | <u>66,363</u> | <u>10,000</u> | <u>(673,637)</u> |
| TOTAL | <u>(294,169)</u> | <u>307,635</u> | <u>10,000</u> | <u>23,466</u> |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards, the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 (effective January 2019). They are prepared under the historical costs convention except for the revaluation of fixed asset investments.

The accounts have been prepared on the going concern basis. There are no material uncertainties about the charity's ability to continue.

The charity is a public benefit organisation.

(b) Fund accounting

General funds represent the funds of the PCC that are not subject to any restrictions as to their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are those funds that must be spent on restricted purposes and the details of the funds held and restrictions are provided in notes 13 and 14.

Designated funds are funds earmarked by the trustees for a specific project/purpose.

(c) Income

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

• Donations and legacies

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

Planned giving receivable under pledge is recognised only when received.

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

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

• Charitable activities

Funds raised from church events are accounted for when receivable.

Income is deferred when received for the purpose of funding missions to be carried out in the future.

• Trading activities

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

• Investments

Dividends and interest are accounted for when receivable.

Realised gains and losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluations of investments at 31 December.

• Other income

Other income is accounted for when receivable.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

1 ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. It includes any VAT which cannot be fully recovered, and is allocated to the activity for which it relates.

• **Charitable Activities**

The Diocesan Parish Share is accounted for when payable.

Grants and donations are accounted for when paid over.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned between activities in line with their respective proportion of income received.

(e) Fixed assets

The buildings at Great Colmore Street comprise an integrated Church and Church Centre. These are operated under a long term lease (99 years from 1 September 2007) from the Birmingham Diocesan Trust. The lease is restrictive and has no commercial value, so the accounts continue to show the property at its historical cost of £nil.

The Gas Street premises is held on a long leasehold at a value equivalent to the cost of refurbishment. Depreciation is on a straight line basis over a 14 year period which mirrors the period over which the PCC is paying for the associated loan.

No value is placed on movable church furnishings held by the Church wardens on special trust for the PCC and which require a faculty for disposal.

All expenditure incurred during the year on non-consecrated buildings is written off as expenditure in the SOFA and separately disclosed. Expenditure on movable church furnishings is capitalised where the cost exceeds £2,000.

Equipment used within the church premises is depreciated on a straight line basis over 4 years (AV computer and fixtures and fittings).

Fixed asset investment properties fair value is measured reliably and held under the revaluation model at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

(f) Current assets

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

Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

(g) Financial instruments

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

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

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

2 ADMINISTRATIVE INFORMATION

The charity is unincorporated and was registered on 20 April 2015 with the Charity Commission in England and Wales. The registered number is 1161342.

The registered office of the charity is St Luke's Church Centre, Great Colmore Street, Birmingham, B15 2AT.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

| 3 INCOME | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2022 £ | Total 2021 £ |
|-------------------------------------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| DONATIONS AND LEGACIES | | | | | |
| Planned giving | 732,859 | - | - | 732,859 | 652,806 |
| One off giving | 459,404 | 12,170 | - | 471,574 | 132,053 |
| Collections | 83,651 | - | - | 83,651 | 29,340 |
| Tax recovery | 217,640 | 1,781 | - | 219,421 | 135,662 |
| Total donations and legacies | 1,493,554 | 13,951 | - | 1,507,505 | 949,861 |
| CHARITABLE ACTIVITIES | | | | | |
| Wedding and funeral fees | - | - | - | - | 224 |
| Event income | 115,332 | - | - | 115,332 | 42,908 |
| | 115,332 | - | - | 115,332 | 43,132 |
| TRADING ACTIVITIES | | | | | |
| Community area hire | 39,872 | - | - | 39,872 | 19,459 |
| Community area sales | 40,753 | 12,605 | - | 53,358 | 16,716 |
| | 80,625 | 12,605 | - | 93,230 | 36,175 |
| INVESTMENTS | | | | | |
| Dividends | 12,501 | 251 | - | 12,752 | 10,813 |
| Interest | 266 | - | - | 266 | 21 |
| | 12,767 | 251 | - | 13,018 | 10,834 |
| OTHER INCOME | | | | | |
| Grant income | 92,207 | 176,095 | - | 268,302 | 228,710 |
| Curates house | - | - | - | - | 8,450 |
| Gas Street Music Ltd income | 15,520 | - | - | 15,520 | 361 |
| Other income | 11,250 | 40,614 | - | 51,864 | 152 |
| | 118,977 | 216,709 | - | 335,686 | 237,673 |
| TOTAL INCOME | 1,821,255 | 243,516 | - | 2,064,771 | 1,277,675 |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

| 4 EXPENDITURE | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2022 £ | Total 2021 £ |
|---|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| CHARITABLE ACTIVITIES | | | | | |
| Missionary and charitable giving (see also note 5) | | | | | |
| Missions giving | 42,180 | 62,649 | - | 104,829 | 128,357 |
| | 42,180 | 62,649 | - | 104,829 | 128,357 |
| Church events | | | | | |
| Worship costs | 21,173 | 2,128 | - | 23,301 | 6,800 |
| Community events | 137,810 | 3,595 | - | 141,405 | 55,533 |
| Community area trading costs | 16,120 | 127 | - | 16,247 | 6,807 |
| Depreciation | 5,885 | - | - | 5,885 | 2,347 |
| | 180,988 | 5,850 | - | 186,838 | 71,487 |
| Ministry | | | | | |
| Fees paid to Diocese | 170,580 | - | - | 170,580 | 169,803 |
| | 170,580 | - | - | 170,580 | 169,803 |
| Staff | | | | | |
| Salary, pensions, housing of youth & pastoral workers | 623,105 | 159,330 | - | 782,435 | 544,946 |
| Staff training | 20,451 | - | - | 20,451 | 2,252 |
| | 643,556 | 159,330 | - | 802,886 | 547,198 |
| Church and Centre running expenses | | | | | |
| Church running costs | 94,885 | - | - | 94,885 | 40,933 |
| Facilities costs | 161,551 | - | - | 161,551 | 60,019 |
| Insurance | 3,968 | - | - | 3,968 | 4,371 |
| Building development | 26,562 | 3,602 | - | 30,164 | 48,259 |
| Hospitality | - | - | - | - | 583 |
| Depreciation | 61,215 | - | - | 61,215 | 54,602 |
| | 348,181 | 3,602 | - | 351,783 | 208,767 |
| Support Costs | | | | | |
| Office costs | 39,860 | 1,500 | - | 41,360 | 29,602 |
| Subscriptions | 3,906 | - | - | 3,906 | 7,477 |
| Bank charges | 11,331 | 317 | - | 11,648 | 7,206 |
| Travel costs | 7,150 | - | - | 7,150 | 956 |
| Fundraising | 119 | - | - | 119 | 21,687 |
| Accountancy | 9,132 | 1,200 | - | 10,332 | 6,287 |
| Interest on diocesan loan | 34,590 | - | - | 34,590 | 26,280 |
| Depreciation | 8,089 | - | - | 8,089 | 3,926 |
| Gas Street Music Ltd expenditure | 34,250 | - | - | 34,250 | 22,074 |
| | 148,427 | 3,017 | - | 151,444 | 125,495 |
| TOTAL EXPENDITURE | 1,533,912 | 234,448 | - | 1,768,360 | 1,251,107 |

Included within accountancy above are amounts due to the auditors in relation to audit of £9,000 (2021: £7,200).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

5 GRANTS

Grants and donations totalled £104,829 (2021: £128,357) and were all paid by the charity. The following donations were made to institutions and totalled more than £1,000:

| | |
|--------------------------|--------|
| Elayos | £2,500 |
| Newbigin Community Trust | £4,000 |

6 STAFF COSTS

Number of employees

The average number of employees during the year was 47 (2021: 38)

Staff costs relate to all direct and indirect staff costs. The "Gas Street Music Ltd" line in note 4 includes £17,122 staff costs, as shown below.

| Employment costs | Charity | Gas Street Music Ltd | | 2021 |
|-----------------------|----------------|----------------------|----------------|----------------|
| | | 2022 | | |
| | £ | £ | £ | £ |
| Wages and salaries | 716,953 | 15,900 | 732,853 | 503,026 |
| Social security costs | 47,347 | 915 | 48,262 | 29,593 |
| Other pension costs | 18,135 | 307 | 18,442 | 12,327 |
| | <u>782,435</u> | <u>17,122</u> | <u>799,557</u> | <u>544,946</u> |

See note 16 for disclosure of payments made to related parties.

7 NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity owns 100% of the issued share capital of Gas Street Music Limited, a company incorporated in England and Wales (company number: 12995294). Gas Street Music Limited was incorporated on 4 November 2020 and prepared its first accounts to 31 December 2021.

The results of the company before consolidation for the year to 31 December 2022 are summarised as follows:

| | 2022 | 2021 |
|----------|-----------------|-----------------|
| | £ | £ |
| Income | 15,520 | - |
| Expenses | (34,250) | (21,713) |
| Net loss | <u>(18,730)</u> | <u>(21,713)</u> |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

8 TANGIBLE ASSETS

| Group / Charity | Leasehold improvements £ | AV equipment £ | Fixtures & Fittings £ | Total £ |
|-----------------------|--------------------------------|----------------------|-----------------------------|------------|
| COST | | | | |
| At beginning of year | 831,056 | 60,455 | 59,028 | 950,539 |
| Additions | - | 37,280 | 3,792 | 41,072 |
| At end of year | 831,056 | 97,735 | 62,820 | 991,611 |
| DEPRECIATION | | | | |
| At beginning of year | 136,602 | 56,460 | 31,546 | 224,608 |
| Charge for year | 61,215 | 5,885 | 8,089 | 75,189 |
| At end of year | 197,817 | 62,345 | 39,635 | 299,797 |
| NET BOOK VALUE | | | | |
| At end of year | 633,239 | 35,390 | 23,185 | 691,814 |
| At beginning of year | 694,454 | 3,995 | 27,482 | 725,931 |

All fixed assets belong to the charity.

9 FIXED ASSET INVESTMENTS

| Group | CCLA | | Total |
|---|---------------------------|----------|---------|
| | Property investments £ | £ | £ |
| Cost or market value of investments at 1 January 2022 | 200,000 | 412,004 | 612,004 |
| Disposals during year | - | (8,530) | (8,530) |
| Gain / (loss) on revaluation of investment assets | 60,000 | (48,500) | 11,500 |
| Cost or market value of investments at 31 December 2022 | 260,000 | 354,974 | 614,974 |

In 2019 a building with a carrying amount of £21,975 was revalued by the trustees to £200,000 based on market conditions at 10th June 2020. In 2022 this was revalued to £260,000 based on a professional valuation undertaken in September 2022. At 31 December 2022, had the revalued asset been carried at its historic cost less accumulated depreciation and accumulated impairment losses, its carrying amount would have been £21,975 (2021 - £21,975).

The revaluation surplus is disclosed in note 14.

| Charity | Investment in subsidiary undertakings £ | CCLA | | Total £ |
|---|--|---------------------------|----------|------------|
| | | Property investments £ | £ | |
| Cost or market value of investments at 1 January 2022 | 1 | 200,000 | 412,004 | 612,005 |
| Disposals during year | - | - | (8,530) | (8,530) |
| Gain / (loss) on revaluation of investment assets | - | 60,000 | (48,500) | 11,500 |
| Cost or market value of investments at 31 December 2022 | 1 | 260,000 | 354,974 | 614,975 |

The charity owns 100% of the issued share capital of Gas Street Music Limited, a company incorporated in England and Wales (company number: 12995294). Gas Street Music Limited was incorporated on 4 November 2020 and prepared its first accounts to 31 December 2021.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

| 10 DEBTORS | Group | | Charity | |
|---|---------------|---------------|----------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade debtors | 41,849 | 766 | 41,849 | 406 |
| Gift aid tax recoverable | 15,213 | 30,302 | 15,213 | 30,302 |
| Prepayments and accrued income | 23,560 | 12,393 | 23,560 | 12,393 |
| Other debtors | 11,455 | 15,105 | 11,455 | 15,105 |
| Amounts due from subsidiary undertaking | - | - | 30,442 | 5,455 |
| | <u>92,077</u> | <u>58,566</u> | <u>122,519</u> | <u>63,661</u> |

| 11 CREDITORS: amounts falling due within one year | Group | | Charity | |
|---|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Diocesan loans | 66,363 | 66,363 | 66,363 | 66,363 |
| Gas Street Music loans | 10,000 | 20,000 | - | - |
| Accruals | 14,765 | 36,551 | 14,765 | 19,934 |
| Other creditors | 56,936 | 39,986 | 56,936 | 39,986 |
| Deferred income | 29,013 | 12,089 | 29,013 | 12,089 |
| | <u>177,077</u> | <u>174,989</u> | <u>167,077</u> | <u>138,372</u> |

| 12 CREDITORS: amounts falling due after one year | Group | | Charity | |
|--|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Diocesan loan | <u>597,274</u> | <u>663,637</u> | <u>597,274</u> | <u>663,637</u> |

In 2019 the PCC was party to the leasehold agreement for the Gas Street site and took on a loan from the Diocese in respect of the refurbishment costs of £730,000 bearing interest at 3.5% above base. Repayments commenced in September 2022, with the amount due in less than 1 year shown in Diocesan loans in Note 11.

Of the above amount, £331,822 is due in more than 5 years.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

13 FUNDS

The restricted funds are established for the following purposes:

| | |
|---|---|
| Assistant Clergy | To provide funding for assistant clergy costs. |
| Repair fund | To fund repair works required on the church building. |
| Extension fund | Funds for extending the work of the church. |
| Kids Ministry | To support the Kids Ministry project work. |
| St Martins Trustees | To support staff costs. |
| Collections | These are collections for specific external causes and projects. |
| Love Your Neighbour - Boxes | Funds from Church Revitalisation Trust for a Christmas Boxes project. |
| Love Your Neighbour - Kids | A grant received from 'Street Games UK' to fund the summer club held at Gas Street St Luke's in August 2022. This was a free to attend club for primary school aged children who receive free school meals. |
| Love Your Neighbour - Ukraine | Funding from the 'Church Revitalisation Trust' specifically for spending on activities and support for Ukrainian refugees. |
| Love Your Neighbour - Gas Street | Funds for the Love Your Neighbour ('LYN') community project. This includes funding support from the Church Revitalisation Trust for spending on all LYN activity, as well as funds collected by Gas Street Church for this purpose. During the year, £35,000 of this was transferred to the 'LYN - Ukraine' fund. |
| Buildings | For development/additions to the structure of the building at 41 Gas Street. |
| Job Retention Scheme | Funds received for salaries under the government furlough scheme. |
| Worship Central | Worship Central (charity no. 1164487) was closed in 2022 with all assets transferred to Gas Street Church. The remaining funds from the Worship Central were placed in this restricted fund specifically for spending on worship related activities at Gas Street Church. |

The designated funds are established for the following purposes:

| | |
|-------------------------|--|
| Assistant Clergy | To provide funding for assistant clergy costs. |
| Repair fund | To fund repair works required on the church building. |
| Extension fund | Funds for extending the work of the church. |
| Missions fund | Each year, the church aims to dedicate at least 10% of its income for missional purposes. Part is given as grants to external projects with charitable objectives compatible with those of St Luke's; the other part is used to fund community engagement activities carried out by St Luke's members. |
| Capital fund | This represents the historic cost of the investment property. |

During the year the endowment funds were closed and funds transferred to the designated Mission Fund. Since these were under £10,000, permission was not required from the Charity Commission.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

14 MOVEMENT IN FUNDS

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Gain / (loss) on Investments £ | Transfers between funds £ | Balance at 31 December 2022 £ |
|----------------------------------|--------------------------------------|------------------|--------------------|---|------------------------------------|--|
| Restricted funds | | | | | | |
| Repair fund | 2,676 | - | (3,602) | - | 926 | - |
| Extension fund | 3,595 | - | (3,595) | - | - | - |
| Kids Ministry | 2,128 | - | (2,128) | - | - | - |
| St Martins Trustees | - | 26,299 | (26,299) | - | - | - |
| Love Your Neighbour - Boxes | 3,153 | 1,500 | (4,653) | - | - | - |
| Love Your Neighbour - Kids | - | 17,116 | (17,116) | - | - | - |
| Love Your Neighbour - Ukraine | - | 9,302 | (9,114) | - | 35,000 | 35,188 |
| Love Your Neighbour - Gas Street | 136,274 | 148,685 | (162,957) | - | (35,000) | 87,002 |
| Worship Central | - | 40,614 | (4,984) | - | - | 35,630 |
| | 147,826 | 243,516 | (234,448) | - | 926 | 157,820 |
| Endowment funds | | | | | | |
| Nichols | 1,892 | - | - | (222) | (1,670) | - |
| T Welche | 1,873 | - | - | (220) | (1,653) | - |
| Reeves Charity | 3,088 | - | - | (363) | (2,725) | - |
| Emma Halls | 1,769 | - | - | (208) | (1,561) | - |
| St Lukes RF | 1,048 | - | - | (123) | (925) | - |
| | 9,670 | - | - | (1,136) | (8,534) | - |
| Designated funds | | | | | | |
| Assistant Clergy | 189,970 | - | (161,645) | - | - | 28,325 |
| Repair fund | 144,553 | - | (72,534) | - | - | 72,019 |
| Extension fund | 61,545 | - | (61,545) | - | - | - |
| Missions fund | 10,949 | - | (29,554) | - | 92,322 | 73,717 |
| Capital fund | 21,975 | - | - | - | - | 21,975 |
| Gas Street Music Ltd | (21,713) | 15,520 | (34,250) | - | - | (40,443) |
| | 407,279 | 15,520 | (359,528) | - | 92,322 | 155,593 |
| Capital revaluation fund | 178,025 | - | - | 60,000 | - | 238,025 |
| Other unrestricted funds | 270,906 | 1,805,735 | (1,174,384) | (47,364) | (84,714) | 770,179 |
| Total funds | 1,013,706 | 2,064,771 | (1,768,360) | 11,500 | - | 1,321,617 |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

15 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Group

Fund balances as at 31 December 2022 are represented by:

| | Restricted funds | Endowment funds | Designated funds | Other unrestricted funds | Total 2022 |
|------------------------|------------------|-----------------|------------------|--------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | - | - | - | 691,814 | 691,814 |
| Fixed asset investment | - | - | 100,344 | 514,630 | 614,974 |
| Current assets | 167,522 | - | 55,249 | 566,409 | 789,180 |
| Current liabilities | (9,702) | - | - | (167,375) | (177,077) |
| Long term liabilities | - | - | - | (597,274) | (597,274) |
| | 157,820 | - | 155,593 | 1,008,204 | 1,321,617 |

Fund balances as at 31 December 2021 are represented by:

| | Restricted funds | Endowment funds | Designated funds | Other unrestricted funds | Total 2021 |
|------------------------|------------------|-----------------|------------------|--------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | - | - | - | 725,931 | 725,931 |
| Fixed asset investment | 6,271 | 9,670 | 334,523 | 261,540 | 612,004 |
| Current assets | 145,700 | - | 72,756 | 295,941 | 514,397 |
| Current liabilities | (4,145) | - | - | (170,844) | (174,989) |
| Long term liabilities | - | - | - | (663,637) | (663,637) |
| | 147,826 | 9,670 | 407,279 | 448,931 | 1,013,706 |

Charity

Fund balances as at 31 December 2022 are represented by:

| | Restricted funds | Endowment funds | Designated funds | Other unrestricted funds | Total 2022 |
|------------------------|------------------|-----------------|------------------|--------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | - | - | - | 691,814 | 691,814 |
| Fixed asset investment | - | - | 100,344 | 514,631 | 614,975 |
| Current assets | 167,523 | - | 95,692 | 556,407 | 819,622 |
| Current liabilities | (9,703) | - | - | (157,374) | (167,077) |
| Long term liabilities | - | - | - | (597,274) | (597,274) |
| | 157,820 | - | 196,036 | 1,008,204 | 1,362,060 |

Fund balances as at 31 December 2021 are represented by:

| | Restricted funds | Endowment funds | Designated funds | Other unrestricted funds | Total 2021 |
|------------------------|------------------|-----------------|------------------|--------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | - | - | - | 725,931 | 725,931 |
| Fixed asset investment | 6,271 | 9,670 | 334,523 | 261,541 | 612,005 |
| Current assets | 145,700 | - | 94,469 | 259,323 | 499,492 |
| Current liabilities | (4,145) | - | - | (134,227) | (138,372) |
| Long term liabilities | - | - | - | (663,637) | (663,637) |
| | 147,826 | 9,670 | 428,992 | 448,931 | 1,035,419 |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

16 RELATED PARTY TRANSACTIONS

During the year the charity paid £9,996 (2021: £9,996) to the landlord of N Drake, trustee, as contributions to his rent.

During the year two Trustees were paid salary and benefits totalling £8,105 (2021: none).

During the year eight Trustees were reimbursed expenses totalling £3,397 (2021: five trustees totalling £218) for reimbursable travel costs, refreshments and purchases for the charity. No trustees received gifts (2021: no trustees received gifts).

During the year one relative of a Trustee was reimbursed expenses totalling £443 (2021: three relatives of trustees reimbursed £368).

During the year relatives of three Trustees were paid salary and benefits totalling £22,102 (2021: five relatives paid £49,767).

Miller & More, a company controlled by H Miller, trustee, invoiced the charity a total of £1,100 (2021: £820) for training services in the year.

During the year the charity received £300 from Urban Devotion, a charitable company controlled by H Miller, trustee, for books. St Luke's made donations totalling £1,200 to Urban Devotion during the year.

St Thomas CE Academy, a charity of whom T Bateman, trustee, is also a trustee, invoiced the charity a total of £2,475 in 2022 (2021: £5,940) for venue hire.

During the year Worship Central, a charity of which T Hughes, trustee, is also a trustee, closed and its remaining funds were transferred to St Luke's, totalling £40,614. This is shown in the relevant restricted fund in Note 14.

During the year, the charity passed on donations totalling £2,500 collected on behalf of Elayos CIC (2021: £500), a CIC of which R Hughes is a trustee; R Hughes is the spouse of T Hughes, a trustee of the charity.

During the year, Gas Street Music Limited, a wholly-owned subsidiary of the charity, had an outstanding loan of £10,000 from The Reuben Trust converted into a donation. J Pearson, trustee, is also a trustee of The Reuban Trustee.

During 2021, Gas Street Music Limited, a wholly-owned subsidiary of the charity, received a loan of £10,000 from Ferdotti Ventures Limited, which remains outstanding in full. T Guidotti, a director of Gas Street Music Ltd, is also Managing Director of Ferdotti Ventures.

During the year four members of key management personnel were paid remuneration and benefits totalling £69,295 (2021: three members paid a total of £63,808).

17 COMMITMENTS

At the balance sheet date the charity had remaining commitments under operating leases of £2,862 (2021: £572).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

18 PARENT CHARITY

Below are summarised results of St Luke's Church, excluding the subsidiary company:

| | Total 2022 | Total 2021 |
|---|-------------------------|-------------------------|
| INCOME | | |
| Donations and legacies | 1,507,505 | 949,861 |
| Charitable activities | 115,332 | 43,132 |
| Trading activities | 93,230 | 36,175 |
| Investments | 13,018 | 10,834 |
| Other income | 320,166 | 237,312 |
| Total income | <u>2,049,251</u> | <u>1,277,314</u> |
| EXPENDITURE | | |
| Charitable activities | 1,734,110 | 1,229,033 |
| Total expenditure | <u>1,734,110</u> | <u>1,229,033</u> |
| NET INCOME BEFORE GAINS AND LOSSES | 315,141 | 48,281 |
| Investment gains and losses | (48,500) | 51,558 |
| NET INCOME BEFORE TRANSFERS | <u>266,641</u> | <u>99,839</u> |

19 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2021 £ |
|---|-------------------------------------|-----------------------------------|----------------------------------|-----------------------------|
| INCOME | | | | |
| Donations and legacies | 910,681 | 39,180 | - | 949,861 |
| Charitable activities | 39,377 | 3,755 | - | 43,132 |
| Trading activities | 36,169 | 6 | - | 36,175 |
| Investments | 6,195 | 4,639 | - | 10,834 |
| Other income | 14,443 | 223,230 | - | 237,673 |
| Total income | <u>1,006,865</u> | <u>270,810</u> | <u>-</u> | <u>1,277,675</u> |
| EXPENDITURE | | | | |
| Charitable activities | 1,004,501 | 246,606 | - | 1,251,107 |
| Total expenditure | <u>1,004,501</u> | <u>246,606</u> | <u>-</u> | <u>1,251,107</u> |
| NET INCOME BEFORE GAINS AND LOSSES | 2,364 | 24,204 | - | 26,568 |
| Investment gains and losses | 36,436 | 13,917 | 1,205 | 51,558 |
| NET INCOME BEFORE TRANSFERS | <u>38,800</u> | <u>38,121</u> | <u>1,205</u> | <u>78,126</u> |
| Transfers between funds | 83,407 | (83,407) | - | - |
| NET MOVEMENT IN FUNDS | <u>122,207</u> | <u>(45,286)</u> | <u>1,205</u> | <u>78,126</u> |
| FUND BALANCES AT 1 JANUARY 2021 | 734,003 | 193,112 | 8,465 | 935,580 |
| FUND BALANCES AT 31 DECEMBER 2021 | <u>856,210</u> | <u>147,826</u> | <u>9,670</u> | <u>1,013,706</u> |

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

20 COMPARATIVE MOVEMENT IN FUNDS

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Gain on Investments £ | Transfers between funds £ | Balance at 31 December 2021 £ |
|-------------------------------------|--------------------------------------|-------------|------------------|--------------------------------|------------------------------------|--|
| Restricted funds | | | | | | |
| Assistant Clergy | 69,801 | 4,639 | (84,426) | 9,986 | - | - |
| Repair fund | 2,485 | 93 | (257) | 355 | - | 2,676 |
| Extension fund | 25,000 | 204 | (25,185) | 3,576 | - | 3,595 |
| Café | 521 | - | (521) | - | - | - |
| Kids Ministry | 6,144 | - | (4,016) | - | - | 2,128 |
| St Martins Trustees | - | 18,975 | (18,975) | - | - | - |
| Awards For All | 10,000 | - | - | - | (10,000) | - |
| Collections | 8,139 | 1,058 | (9,197) | - | - | - |
| Love Your Neighbour - Boxes | 7,910 | 3,050 | (7,807) | - | - | 3,153 |
| Love Your Neighbour - DCMS funding | - | 84,360 | (47,936) | - | (36,424) | - |
| Love Your Neighbour - Gas Street | 13,112 | 121,956 | (15,811) | - | 17,017 | 136,274 |
| Love Your Neighbour - Projects | - | 16,617 | (16,617) | - | - | - |
| Buildings | 50,000 | 4,000 | - | - | (54,000) | - |
| Job Retention Scheme | - | 15,858 | (15,858) | - | - | - |
| | 193,112 | 270,810 | (246,606) | 13,917 | (83,407) | 147,826 |
| Endowment funds | | | | | | |
| Nichols | 1,657 | - | - | 235 | - | 1,892 |
| T Welche | 1,640 | - | - | 233 | - | 1,873 |
| Reeves Charity | 2,701 | - | - | 387 | - | 3,088 |
| Emma Halls | 1,549 | - | - | 220 | - | 1,769 |
| St Lukes RF | 918 | - | - | 130 | - | 1,048 |
| | 8,465 | - | - | 1,205 | - | 9,670 |
| Designated funds | | | | | | |
| Assistant Clergy | - | 182 | (182) | 13,790 | 176,180 | 189,970 |
| Repair fund | 122,892 | 3,670 | (7,019) | 18,070 | 6,940 | 144,553 |
| Extension fund | 11,636 | - | (8,331) | 4,576 | 53,664 | 61,545 |
| Education Fund | - | 20 | (20) | - | - | - |
| Missions fund | 12,000 | - | (16,531) | - | 15,480 | 10,949 |
| Capital fund | 21,975 | - | - | - | - | 21,975 |
| Love Your Neighbour - match funding | 57,315 | - | (94,492) | - | 37,177 | - |
| Love Your Neighbour - Gas Street | - | 5,375 | (5,375) | - | - | - |
| Gas Street Music Ltd | - | 361 | (22,074) | - | - | (21,713) |
| | 225,818 | 9,608 | (154,024) | 36,436 | 289,441 | 407,279 |
| Capital revaluation fund | 178,025 | - | - | - | - | 178,025 |
| Other unrestricted funds | 330,160 | 997,257 | (850,477) | - | (206,034) | 270,906 |
| Total funds | 935,580 | 1,277,675 | (1,251,107) | 51,558 | - | 1,013,706 |