

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022
FOR
LUCHANA MISSION TRUST**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

LUCHANA MISSION TRUST

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FOR THE YEAR ENDED 5 APRIL 2022**

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LUCHANA MISSION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022

The trustees present their report with the financial statements of the charity for the year ended 5 April 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

The Trust's objectives are the propagation of the Gospel of Jesus Christ.

Objective and activities

The Trust was established to work in the South Wales area and currently oversees three churches in and around Barry in the Vale of Glamorgan:

- A. The Luchana Mission, concentrating on youth work and forming part of a small complex at 17 Hillary Rise, Barry. It is now run by Allister Reid-Danks.
- B. Parkside Church (previously called Bethlehem Church) forms part of the Gibbonstown Estate on the outskirts of Barry. It is run by Robert Clee and his wife and aims to spread the Gospel among the socially deprived area around it.
- C. Wilberforce Church situated on the north side of Barry. Part of the congregation of this Church having moved to Hope Hall referred to below and the remainder having moved away this Church building is currently vacant. Allister Reid-Danks has hopes to bring this back into use once the Covid epidemic has been brought under control.
- D. Hope Hall. Part of the Jerusalem Church site acquired in early 2019 Hope Hall has been renovated by the Barry Evangelical Presbyterian Church and is in use on Sundays and during the week.
- E. Jerusalem Church. This dilapidated building is to be put into a wind and watertight condition pending the establishment of a long-term renovation project.

Public benefit

The organisation's trustees can confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission, as demonstrated by the above objectives and activities.

ACHIEVEMENT AND PERFORMANCE

The Trust has continued to provide support to the churches noted above during the year.

LUCHANA MISSION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022

FINANCIAL REVIEW

The results for the year and the financial position of the charity are as shown in the annexed financial statements.

Reserves policy

The trustees believe it prudent to keep significant liquid reserves in case of emergency need (say for unexpected property repair).

Investment policy

A policy statement has been prepared by the trustees of the Luchana Mission Trust and provides guidance as to how the asset management functions delegated to Smith and Williamson Investment Management ("Smith and Williamson") by the trustees should be exercised. It has been formulated with a view to ensuring that the asset management functions will be exercised in the best interest of the Trust.

Investment objective

The Trustees intend that the real value of their assets be maintained and enhanced over the long term by investment in a portfolio comprised of equities, fixed income, stocks and cash.

The trustees need to make a series of payments in connection with the Trust and monies need to be withdrawn as and when these payments are due to be made. This requirement will be discussed with Smith and Williamson as necessary. The withdrawals may be met from income or capital.

Investment brief

In order to meet these objectives the trustees have appointed Smith and Williamson as their agent to manage a diversified portfolio of suitable investments on a discretionary basis. In the context of the Smith and Williamson Client Understanding Note we have selected a balanced investment objective with medium risk. The proportions invested in equities, fixed income stocks and cash shall be reviewed with Smith and Williamson from time to time to provide guidance on the ongoing suitability of that element of investment policy.

Review

The trustees will regularly consider whether there is a need to revise this policy and keep under review the arrangements under which Smith and Williamson acts as their agent.

The value of the share portfolio made some recovery during the financial year as shown in the detail of the financial statements, but as a result of the coronavirus the future performance of the financial markets remains unclear.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The Luchana Mission Trust is constituted as a charitable trust whose governing document is its Trust Deed dated 2 October 1929. It is registered with the Charity Commissioners under charity number 234667.

All decisions are made by the trustees as and when required.

Trustee induction and training

There is no formal induction programme for new trustees, but new members are fully integrated into the running of the trust immediately on appointment.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

234667

Principal address

44 Alwyne Road
Wimbledon
LONDON
SW19 7AE

Trustees

J H H Mathews
M White
I Ridley

LUCHANA MISSION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 5 APRIL 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Julia Mortimer
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

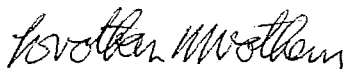
Bankers

Barclays Bank PLC
PO Box 747
Barclays House
Ty Glas Avenue
Llanishen
CARDIFF

Solicitors

Davies Prichard & Weatherill
6 St Andrews Crescent
CARDIFF
CF10 3DD

Approved by order of the Board of Trustees on 11th January 2023 and signed on its behalf by:



J H H Mathews - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LUCHANA MISSION TRUST**

Independent examiner's report to the trustees of Luchana Mission Trust

I report to the charity trustees on my examination of the accounts of Luchana Mission Trust (the Trust) for the year ended 5 April 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

12 January 2023

LUCHANA MISSION TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	3	<u>22,167</u>	<u>-</u>	<u>22,167</u>	<u>21,591</u>
EXPENDITURE ON					
Raising funds	4	6,610	-	6,610	5,461
Charitable activities	5				
The propagation of the Gospel of Jesus Christ		<u>41,801</u>	<u>-</u>	<u>41,801</u>	<u>50,787</u>
Total		<u>48,411</u>	<u>-</u>	<u>48,411</u>	<u>56,248</u>
Net gains on investments		<u>11,431</u>	<u>-</u>	<u>11,431</u>	<u>205,342</u>
NET INCOME/(EXPENDITURE)		(14,813)	-	(14,813)	170,685
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,450,512</u>	<u>-</u>	<u>1,450,512</u>	<u>1,279,827</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,435,699</u></u>	<u><u>-</u></u>	<u><u>1,435,699</u></u>	<u><u>1,450,512</u></u>

The notes form part of these financial statements

LUCHANA MISSION TRUST

BALANCE SHEET
5 APRIL 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	10	622,601	-	622,601	608,779
Investments	11	<u>767,711</u>	<u>-</u>	<u>767,711</u>	<u>693,760</u>
		1,390,312	-	1,390,312	1,302,539
CURRENT ASSETS					
Debtors	12	1,563	-	1,563	1,515
Cash at bank		<u>44,904</u>	<u>-</u>	<u>44,904</u>	<u>147,509</u>
		46,467	-	46,467	149,024
CREDITORS					
Amounts falling due within one year	13	(1,080)	-	(1,080)	(1,051)
NET CURRENT ASSETS		<u>45,387</u>	<u>-</u>	<u>45,387</u>	<u>147,973</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,435,699</u>	<u>-</u>	<u>1,435,699</u>	<u>1,450,512</u>
NET ASSETS		<u>1,435,699</u>	<u>-</u>	<u>1,435,699</u>	<u>1,450,512</u>
FUNDS	14				
Unrestricted funds:					
General fund				1,103,239	1,118,052
Property revaluation reserve				<u>332,460</u>	<u>332,460</u>
				<u>1,435,699</u>	<u>1,450,512</u>
TOTAL FUNDS				<u>1,435,699</u>	<u>1,450,512</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11 January 2023 and were signed on its behalf by:



J H H Mathews - Trustee

The notes form part of these financial statements

1. STATUTORY INFORMATION

Luchana Mission Trust is a registered charity, registered in England and Wales. The governing document is its constitution and it is an unincorporated association. The principal address is 44 Alwyn Road, Wimbledon, London, SW19 7AE. The nature of the charity's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charity's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

There have been no material departures from the standard.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy note(s).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Fixed assets costing more than £500 are capitalised by the charity.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Freehold property: 50 years

Motor vehicles: 25% straight line

The charity has taken advantage of the transitional provisions of FRS102 and the freehold properties are carried forward at their revalued amounts as deemed cost.

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire or use put options, derivatives or other complex financial instruments.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund structure

Unrestricted funds represent resources available to be applied by the trustees for the general purposes of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Financial Instruments

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

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

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

3. INVESTMENT INCOME

	2022	2021
	£	£
Investment income from managed portfolio	22,123	21,530
Bank interest receivable	<u>44</u>	<u>61</u>
	<u>22,167</u>	<u>21,591</u>

LUCHANA MISSION TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022**

4. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Interest payable and similar charges	<u>6,610</u>	<u>5,461</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
The propagation of the Gospel of Jesus Christ	<u>40,781</u>	<u>1,020</u>	<u>41,801</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Rates and water	1,765	1,553
Insurance	8,466	8,655
Light and heat	3,213	4,528
Repairs and maintenance	4,208	10,205
Minister's living expenses	4,360	4,260
General mission funding	5,124	5,615
Professional fees	72	144
Stationery and Postage	-	58
Depreciation	<u>13,573</u>	<u>13,537</u>
	<u>40,781</u>	<u>48,555</u>

7. SUPPORT COSTS

	Governance costs £
The propagation of the Gospel of Jesus Christ	<u>1,020</u>

Included in support costs are accountancy fees of £1,020 (2021 : £1,020) in respect of the preparation and independent examination of the statutory accounts.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2022 or for the year ended 5 April 2021.

Trustees' expenses

There were no trustees' expenses paid for the year (2021 - £Nil).

LUCHANA MISSION TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022**

9. COMPARATIVES FOR YEAR ENDED 5 APRIL 2021

All comparative figures in the Statement of Financial Activities for the year ended 5 April 2021 relate to unrestricted funds.

10. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 6 April 2021	678,662
Additions	<u>27,395</u>
At 5 April 2022	<u>706,057</u>
DEPRECIATION	
At 6 April 2021	69,883
Charge for year	<u>13,573</u>
At 5 April 2022	<u>83,456</u>
NET BOOK VALUE	
At 5 April 2022	<u>622,601</u>
At 5 April 2021	<u>608,779</u>

The charity has used the properties previous valuation as deemed cost.

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 6 April 2021	693,760
Acquisitions at cost	74,128
Disposals at opening book value	(13,366)
Revaluations	<u>13,189</u>
At 5 April 2022	<u>767,711</u>
NET BOOK VALUE	
At 5 April 2022	<u>767,711</u>
At 5 April 2021	<u>693,760</u>

LUCHANA MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

11. FIXED ASSET INVESTMENTS - continued

	2022 £	2021 £
Historical cost at the year end	<u>534,282</u>	<u>484,240</u>
Analysis of investments at the year end		
	Total funds 2022 £	Total funds 2021 £
UK fixed interest	52,859	53,537
UK equities	374,548	360,675
European equities	41,763	39,522
Japan equities	21,904	12,792
Asia Pacific equities	31,198	33,571
Alternative investments	112,571	79,285
Other overseas equities	95,221	98,669
American equities	<u>37,600</u>	<u>15,720</u>
	<u>767,711</u>	<u>693,760</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	<u>1,563</u>	<u>1,515</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other creditors	<u>1,080</u>	<u>1,051</u>

14. MOVEMENT IN FUNDS

	At 6/4/21 £	Net movement in funds £	At 5/4/22 £
Unrestricted funds			
General fund	1,118,052	(14,813)	1,103,239
Property revaluation reserve	<u>332,460</u>	<u>-</u>	<u>332,460</u>
	<u>1,450,512</u>	<u>(14,813)</u>	<u>1,435,699</u>
TOTAL FUNDS	<u>1,450,512</u>	<u>(14,813)</u>	<u>1,435,699</u>

LUCHANA MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	22,167	(48,411)	11,431	(14,813)
	<u>22,167</u>	<u>(48,411)</u>	<u>11,431</u>	<u>(14,813)</u>
TOTAL FUNDS	<u>22,167</u>	<u>(48,411)</u>	<u>11,431</u>	<u>(14,813)</u>

Comparatives for movement in funds

	At 6/4/20 £	Net movement in funds £	At 5/4/21 £
Unrestricted funds			
General fund	947,367	170,685	1,118,052
Property revaluation reserve	332,460	-	332,460
	<u>1,279,827</u>	<u>170,685</u>	<u>1,450,512</u>
TOTAL FUNDS	<u>1,279,827</u>	<u>170,685</u>	<u>1,450,512</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	21,591	(56,248)	205,342	170,685
	<u>21,591</u>	<u>(56,248)</u>	<u>205,342</u>	<u>170,685</u>
TOTAL FUNDS	<u>21,591</u>	<u>(56,248)</u>	<u>205,342</u>	<u>170,685</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2022 or 5 April 2021 that require disclosure.