

**ST LUKE'S CHURCH, WEST NORWOOD**

**REGISTERED CHARITY NUMBER No: 1138272**

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**St Luke's Church, West Norwood**

**Reports and Financial Statements 2016**

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St Luke's Church, West Norwood

**General Information**

**Incumbent:**

Rev Donald Davis  
St Luke's Church  
Knights Hill  
West Norwood  
London SE27 0HS

**Bank:**

Barclays Bank Plc  
543 Norwood Road  
West Norwood  
London SE27 9DW

**Independent Examiner:**

Simon Lewcock FCCA  
Windsor Lodge  
Millfield Road  
Hounslow  
Middlesex  
TW4 5PN

**INDEPENDENT EXAMINER'S REPORT  
ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016**

**To the Parochial Church Council of St Luke's Church, West Norwood**

This report on the accounts of the PCC for the year ended 31 December 2016, which are set out attached to the report, is in respect of an examination carried out under the Church Accounting Regulations 2006 ('the Regulations') and the Charities Act 2011 ('the Act').

**Respective responsibilities of the trustees and independent Examiner**

As members of the PCC you are responsible for the preparation of the accounts; you consider that an audit is not required for this year under section 144(2) of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. That 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 accounts, and seeking explanations from the PCC concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and which comply with the requirements of the 2011 Act, as also contained in the Regulations, have not been met; or
- (2) to which, in my opinion, attention should be drawn, in order to enable a proper understanding of the accounts to be reached.



S.A. Lewcock FCCA  
Windsor Lodge  
Millfield Road  
Hounslow  
Middlesex TW4 5PN

20 April 2016

**St Luke's Church, West Norwood**  
**Balance Sheet as at 31 December 2016**

	Note	2016	2015
		£	£
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	2	18,059	18,285
Investment Assets	3	<u>685</u>	<u>685</u>
		18,744	18,970
<b>CURRENT ASSETS</b>			
Debtors	4	7,217	5,926
CBF Deposit		78	78
Cash at Bank and in Hand		<u>32,588</u>	<u>25,086</u>
		39,883	31,090
<b>LIABILITIES:AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	5	<u>(11,655)</u>	<u>(22,672)</u>
<b>NET CURRENT ASSETS</b>		28,228	8,418
<b>LIABILITIES:AMOUNTS FALLING DUE AFTER ONE YEAR</b>	6	-	(4,000)
<b>NET ASSETS</b>		<u><u>46,972</u></u>	<u><u>23,388</u></u>
<b>FUNDS</b>			
Unrestricted	8	4,841	48
Restricted	8	42,131	23,340
		<u><u>46,972</u></u>	<u><u>23,388</u></u>

Approved by the Parochial Church Council on 11 April 2016



Rev. D. Davis  
Vicar, St. Luke's Church, West Norwood

**St Luke's Church, West Norwood**  
**Statement of Financial Activities**  
**For the year ended 31 December 2016**

		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>TOTAL FUNDS 2016</b>	<b>TOTAL FUNDS 2015</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS</b>					
Income from donors	10(a)	57,577	19,965	77,542	66,807
Income from church activities	10(b)	36,980	-	36,980	33,891
Income from investments	10(c)	18,365	-	18,365	18,028
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>112,922</b>	<b>19,965</b>	<b>132,887</b>	<b>118,726</b>
<b>EXPENDITURE</b>					
Missionary and charitable giving	11(a)	11,673	1,174	12,847	13,146
Activities directly related to the work of the church	11(b)	88,924	-	88,924	112,859
Cost of generating funds	11(c)	7,532	-	7,532	4,544
<b>TOTAL EXPENDITURE</b>		<b>108,129</b>	<b>1,174</b>	<b>109,303</b>	<b>130,549</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>4,793</b>	<b>18,791</b>	<b>23,584</b>	<b>(11,823)</b>
Gain on sale of investment		-	-	-	12
<b>BALANCES BROUGHT FORWARD AT 01 January 2016</b>		<b>48</b>	<b>23,340</b>	<b>23,388</b>	<b>35,199</b>
<b>BALANCES CARRIED FORWARD AT 31 December 2016</b>		<b>4,841</b>	<b>42,131</b>	<b>46,972</b>	<b>23,388</b>

**Notes to the Financial Statements  
For the year ended 31 December 2016**

**1. ACCOUNTING POLICIES**

**Basis of financial statements**

The financial statements have been prepared under the Charities Act 2011, and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (FRS 102) and the Church Accounting Regulations 2006 together with applicable accounting standards.

The financial statements have been prepared under the historical cost convention, except for the valuation of investment assets which are 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 financial statements of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

**Funds**

General funds represent the funds of the PCC that are not subject to any restrictions regarding 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 details of the funds held and restrictions are provided in notes 8 and 9.

There are no Endowment funds held.

**Income and endowments**

***Income from donors***

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

Planned giving under Gift Aid is recognised only when received.

Income Tax recoverable on Gift Aid donations is recognised when income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

Funds raised by events are accounted for gross.

***Income from church activities***

Rental income from letting of church premises is recognised when rental is due.

***Income from investments***

Dividends are accounted for when due and payable and interest entitlements are accounted for as they accrue.

***Gains and losses on investments***

Unrealised gains and losses created by revaluation on 31 December are accounted for via the investment trust fund.

**Expenditure**

***Mission and charitable giving***

Mission and charitable giving is calculated as 10% of the total income in the previous year's accounts. This is divided into six shares. Five of these shares are divided equally between,

The Bethany Children's Trust

The Spinnaker Trust

Church Mission Society - Ann Moore

Church Mission Society - David & Shelley Stokes

Emmanuel International Naude Family

The sixth share is allocated on a discretionary basis on the recommendation of the missionary committee.

***Activities directly relating to the work of the Church***

The diocesan parish share is accounted for when due.

**St Luke's Church, West Norwood**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2016 (continued)**

**Fixed Assets**

***Consecrated land and buildings and moveable church furnishings***

Consecrated and beneficed property of any kind is excluded from the accounts by S.10(2)(a) and (c) of the CA 2011. No value is placed on moveable church furnishings held by the Priest-in-Charge and Churchwardens on special trust for the PCC and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. For inalienable property there is insufficient cost information and therefore such assets are not valued in the financial statements. All expenditure incurred in the year on consecrated or beneficed buildings and the repair of moveable church furnishings is written off.

***Other property***

The property at 12 Chestnut Road is recorded at historical cost and no provision is made for depreciation. It is vested in the South London Church Fund and Southwark Diocesan Board of Finance as custodian trustees.

***Other plant and machinery, fixtures and fittings and office equipment***

The sound system and projector used within church premises is depreciated on a straight line basis over 10 years. All other purchases of equipment are written off when the asset is acquired.

***Investments***

Investments are valued at the bid ruling at 31 December

**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.

Cash is held on short term deposit with the Central Board of Finance of the Church of England or at the bank.

**2. TANGIBLE FIXED ASSETS**

	House £	Sound System £	Furniture & Equipment £	Total £
<b>COST</b>				
at 1st January 2016	16,620	9,799	9,889	36,308
Revaluation	-	-	-	-
Additions	-	-	-	-
at 31st December 2016	<u>16,620</u>	<u>9,799</u>	<u>9,889</u>	<u>36,308</u>
<b>DEPRECIATION</b>				
at 1st January 2016	-	8,134	9,889	18,023
Charge for the year	-	226	-	226
at 31st December 2016	<u>-</u>	<u>8,360</u>	<u>9,889</u>	<u>18,249</u>
<b>NET BOOK VALUE</b>				
at 31st December 2016	<u>16,620</u>	<u>1,439</u>	<u>0</u>	<u>18,059</u>
at 31st December 2015	<u>16,620</u>	<u>1,665</u>	<u>0</u>	<u>18,285</u>

**3. INVESTMENTS**

Held in trust:

	Nominal Value		2016 Mkt Val. £	2015 Mkt Val. £
Henrietta Atkins	69	3.50% Conversion stock	52	52
Mrs. M. Parkinson	324	Charinco (Income)	<u>598</u>	<u>598</u>
			650	650
Others			<u>35</u>	<u>35</u>
			<u>685</u>	<u>685</u>



**St Luke's Church, West Norwood**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2016 (continued)**

<b>4. DEBTORS</b>	<b>2016</b>	<b>2015</b>
	£	£
Income tax recoverable	6,198	2,277
Management fees paid in advance	139	180
Other debtors	880	3,469
	<u>7,217</u>	<u>5,926</u>
<b>5. LIABILITIES FALLING DUE WITHIN ONE YEAR</b>	<b>2016</b>	<b>2015</b>
	£	£
Loan from the Diocese of Southwark	4,000	4,000
Rental received in advance	1,161	1,500
Missionary and other giving	2,308	1,181
Foodbank	2,300	1,500
Payroll	1,485	-
Accrued expenses	400	14,491
	<u>11,655</u>	<u>22,672</u>
<b>6. LIABILITIES FALLING DUE AFTER ONE YEAR</b>	<b>2016</b>	<b>2015</b>
	£	£
Loan from the Diocese of Southwark	-	4,000
	<u>-</u>	<u>4,000</u>
<b>7. STAFF COSTS</b>	<b>2016</b>	<b>2015</b>
	£	£
Wages and salaries	15,023	14,846
Pension costs	1,234	1,234
Social Security costs	669	661
	<u>16,926</u>	<u>16,741</u>

During the year the PCC employed a church administrator and a cleaner, nobody earned more than £40,000 p.a. and no other church member received any remuneration.

For eligible salaried employees St Luke's (West Norwood) PCC participates in the Church of England Defined Contribution Scheme (DCS) within the Church Workers Pension Fund. The DCS is administered by the Church of England Pensions Board and provides benefits at retirement based on contributions made to the DCS prior to the date of retirement. The assets of the DCS are held separately from those of the employer. As at the formal valuation at December 2010, the DCS was in surplus on an ongoing funding basis. St Luke's (West Norwood) PCC is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the DCS. Para 9(b) of the Financial Reporting Standard 17 requires St Luke's (West Norwood) PCC to account for pension costs on the basis of contributions payable to the Scheme in the year. St Luke's (West Norwood) PCC contributes 10% of basic salary and the employees are not required to contribute anything. The contributions for the year totalled £1234.20 (2015 - £1234.20).

St Luke's (West Norwood) PCC had one active member and three deferred members in the DCS at 31 December 2016.

**8. MOVEMENT IN FUNDS**

The Unrestricted funds comprise the following:

	Balance as at 01 Jan-16	Income & Endowments	Expenditure	Surplus/ (Deficit)	Balance as at 31 Dec-16
	£	£	£	£	£
General Fund	48	112,922	108,129	4,793	4,841
	<u>48</u>	<u>112,922</u>	<u>108,129</u>	<u>4,793</u>	<u>4,841</u>

The Restricted funds comprise the following:

	Balance as at 01 Jan-16	Income & Endowments	Expenditure	Surplus/ (Deficit)	Balance as at 31 Dec-16
	£	£	£	£	£
Foodbank	429	1,030	871	159	588
Clock	-	18,265	-	18,265	18,265
Investment Trust Fund	650	-	-	-	650
Trust Fund 12 Chestnut Road	16,620	-	-	-	16,620
Other Restricted Funds	5,641	670	303	367	6,008
	<u>23,340</u>	<u>19,965</u>	<u>1,174</u>	<u>18,791</u>	<u>42,131</u>
<b>Total movement of funds</b>	<b>23,388</b>	<b>132,887</b>	<b>109,303</b>	<b>23,584</b>	<b>46,972</b>

**St Luke's Church, West Norwood**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2016 (continued)**

**9. FUND DETAILS**

**Unrestricted Funds**

General Fund	Used for all general receipts and expenditure.
Capital Improvements Fund	A reserve for future maintenance of the buildings, and for major work which needs to be carried out on the church.

**Restricted Funds**

12 Chestnut Road	This reflects the investment in the house at historical cost, if the property was to be put on the market Stephen James Estate Agents would recommend asking for £700,000.
Foodbank	This reflects the net of donations less expenses incurred in running 'The Norwood Foodbank'.
Investment Trust Fund	This reflects the market value of investments held in trust for the benefit of the church.
Other Restricted Funds	This is the net balance of money donated for specific projects not yet spent.

	Balance as at 01 Jan-16	Income & Endowments	Expenditure	Surplus/ (Deficit)	Balance as at 31 Dec-16
	£	£	£	£	£
Alpha	53	-	-	-	53
Bibles	-	195	-	195	195
British Home	-	190	190	-	-
Children / young people	1,221	-	-	-	1,221
Gardens / Car Park	42	-	-	-	42
Gideons	25	-	-	-	25
Mission	-	122	-	122	122
Projector	3,854	-	-	-	3,854
Robes Project	-	163	113	50	50
Website	96	-	-	-	96
Various	350	-	-	-	350
	<b>5,641</b>	<b>670</b>	<b>303</b>	<b>367</b>	<b>6,008</b>

**10. INCOME AND ENDOWMENTS**

	Unrestricted Funds General £	Restricted Funds Foodbank £	Other £	TOTAL FUNDS 2016 £	TOTAL FUNDS 2015 £
<b>10(a) Incoming resources from donors</b>					
Planned giving	39,783	-	-	39,783	45,191
Income tax recovered on gift aid	9,235	-	1,553	10,788	11,558
Charities Aid Foundation	-	-	-	-	165
Charitable Giving	946	1,030	-	1,976	-
General collections	6,885	-	-	6,885	8,171
Donations	728	-	17,382	18,110	1,722
	<b>57,577</b>	<b>1,030</b>	<b>18,935</b>	<b>77,542</b>	<b>66,807</b>
<b>10(b) Income from church activities</b>					
Rental income - church halls	34,684	-	-	34,684	32,691
Fees for weddings and funerals	2,296	-	-	2,296	1,200
	<b>36,980</b>	<b>-</b>	<b>-</b>	<b>36,980</b>	<b>33,891</b>
<b>10(c) Income from investments</b>					
Rental income - 12 Chestnut Road	18,339	-	-	18,339	18,000
Dividends and interest	26	-	-	26	28
	<b>18,365</b>	<b>-</b>	<b>-</b>	<b>18,365</b>	<b>18,028</b>
<b>TOTAL INCOME AND ENDOWMENTS</b>	<b>112,922</b>	<b>1,030</b>	<b>18,935</b>	<b>132,887</b>	<b>118,726</b>

St Luke's Church, West Norwood  
Notes to the Financial Statements  
For the year ended 31 December 2016 (continued)

11. EXPENDITURE

	Unrestricted Funds General £	Restricted Foodbank £	Funds Other £	TOTAL FUNDS 2016 £	TOTAL FUNDS 2015 £
11(a) Missionary and charitable giving					
Overseas					
- CMS - David & Shelly Stokes	2,166	-	-	2,166	1,931
- CMS - Ann Moore	2,166	-	-	2,166	1,931
- The Bethany Children's Trust	1,951	-	-	1,951	1,931
- Release International	-	-	-	-	250
- Emmanuel International - John Naude	1,736	-	-	1,736	2,431
- The Olive Tree Reconciliation Fund	-	-	-	-	250
Home					
- The Spinnaker Trust	1,951	-	-	1,951	1,931
- Other charitable giving	25	-	-	25	681
- Foodbank	-	871	-	871	1,500
- The Robes Project	-	-	113	113	-
- Gideon Society	-	-	-	-	250
- Imtiaz	215	-	-	215	-
- The British Home	50	-	190	240	-
- Tear fund	-	-	-	-	60
- Discretionary	1,413	-	-	1,413	-
	11,673	871	303	12,847	13,146
11(b) Activities directly related to the work of the church					
Ministry:					
diocesan parish share	42,270	-	-	42,270	54,495
clergy expenses	500	-	-	500	420
guest preachers	-	-	-	-	100
home mission	250	-	-	250	100
Church running expenses	18,530	-	-	18,530	17,097
Church maintenance	5,500	-	-	5,500	14,007
Wages & salaries & N.I	16,352	-	-	16,352	15,507
Pension	1,234	-	-	1,234	1,234
Administration costs	3,598	-	-	3,598	5,574
Independent examiner's fee	400	-	-	400	300
Ministry and worship expenses	290	-	-	290	1,286
Youth work	-	-	-	-	19
Major works	-	-	-	-	2,820
	88,924	-	-	88,924	112,859
11(c) Cost of generating funds					
Maintenance and management of rental property	6,913	-	-	6,913	4,544
Cost of appeals	619	-	-	619	-
	7,532	-	-	7,532	4,544
<b>TOTAL EXPENDITURE</b>	<b>108,129</b>	<b>871</b>	<b>303</b>	<b>109,303</b>	<b>130,549</b>

12. CAPITAL COMMITMENTS

There were no capital commitments at the year end

13. INDEPENDENT EXAMINER

Simon Lewcock FCCA, was appointed independent examiner for this year's accounts