



Diocese of Liverpool

The Team Parish of Liverpool, St  
Luke in the City:

**Edge Hill, St Dunstan  
Liverpool, St Bride with St Saviour  
Liverpool, St Michael in the City**

***Annual Report of the Parochial Church Council***

***For the year ended 31<sup>st</sup> December 2017***

## Administrative Information

The Parochial Church Council St Luke in the City, Liverpool Registered Charity number 1152031

Address for Correspondence: 32 Brooklands Avenue, Waterloo, Liverpool, L22 3XZ  
Telephone 07795 822193

Licensed ministers: (asterisk indicates ex-officio on PCC)

Team Rector: Revd. Dr. M. Threlfall-Holmes (from 10th August 2017) \*  
Team Vicar: Revd. M. Waters \*  
Associate Priest: Revd. S. Doyle \*  
Hospital Chaplain: Revd. A. Lawlor (to Sept 2017) \*  
(Revd. J. Parry from Oct 2017) (licensed to another parish)  
Readers: Dr. C. Bartley \*  
Mrs. H. Randall \*  
Local Missional Leaders: Mr. K Bohdan  
Mr. W Hartley  
Authorized Lay Minister: Mrs. R Green

Churchwardens: Dr. C. Bartley  
(Ex-officio on PCC) Mr. D. Bradley

Deanery Synod representatives: Mrs. H. Randall  
(Ex-officio on PCC) Mr. A. Fitzgerald

Elected PCC members: Mr. M. Randall  
Mrs. K. McCaldon  
Ms. G. Evans  
Mr. L. Cox  
Mrs. D. Cox  
Ms. T. Davies (to Nov 2017)  
Ms. H. Parker-Jervis  
Ms. S. Ginley

Paid officers of the PCC

Secretary: Mr. W. Hartley  
Treasurer: Mr. R Bissex FCA

Bankers: HSBC plc  
99-101 Lord St Liverpool L26PG

Central Board of Finance of the Church of England  
80 Cheapside London EC2V 6DZ

Independent Examiner: Mr. I Wright B.A. F.C.A.  
15 Stretton Drive, Southport PR9 7DR

Legal Advisors: Mr. H. Dellar  
1, The Sanctuary, Westminster, Liverpool SW1P 3JT

Hill Dickinson LLP  
1 St Paul's Square, Liverpool L3 9SJ

Estate Management: PKPM Chartered Surveyors  
Suite 7, Church House, 1 Hanover Street, Liverpool, L1 3DN

Architects: (St Bride's) Mark Pearce, Lloyd Evans Pritchard (LEP), The Boardwalk, 21  
Little Peter Street, Manchester M15 4PS

(St Michael's) Stephen Glenwright  
DeNovo Design Ltd, 89 Wood St., Liverpool LI 4NU

(St Dunstan's) Finlason Partnership Ltd  
1 Cambridge Road, Hale, Altrincham WA15 9SY

## **St Luke in the City PCC Annual Report 2017**

### **Aims and Purposes**

St. Luke in the City Parochial Church Council (PCC) has the responsibility of cooperating with the Team Rector, the Reverend Dr Miranda Threlfall-Holmes, and Team Vicar, the Reverend Mark Waters, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of our three active church buildings, St Dunstan's, Earle Road; St Bride's, Percy Street; and St Michael's, Upper Pitt Street; together with a redundant church building (St Stephen's) which is in the process of being sold.

At St Luke in the City we have a team mission statement (since 2002) as follows:

*"To discover, with others, the freedom, justice and hope of the Kingdom of God:  
to work for and celebrate it in the lives of individuals, the community and the City"*

When planning our activities for the year, the PCC gave consideration to the Charity Commission's guidance on public benefit and, in particular, the specific guidance to charities concerned with the advancement of religion.

*In 2017 we planned to:*

### **St Luke in the City Team**

- Welcome Revd. Dr Miranda Threlfall-Holmes as our new Team Rector and work with her to connect with key institutions within the city
- Develop a feasibility study to look at how we might develop the St Michael in the City site as an financial investment to achieve sustainability into the future for our three churches
- Work more closely together as a team of churches sharing our gifts, resources and different approaches to worship
- Continue to work at developing viable congregations

### **St Michael in the City**

- Work to develop new models of church appropriate to the huge demographic and cultural changes taking place in the area
- Look at the Feasibility Study for our site and how this might enable us to provide church premises which are more welcoming and more flexible in terms of hosting different sorts of events
- Develop resources to maintain momentum in our work with children, young people and families

### **St Bride**

- Prepare funding bids to realize our Concept Plan for the building in cooperation with the Heritage Lottery Fund advisers
- Continue to work at financial viability for the church and Team Ministry
- Encourage the next generation of leadership in the church
- Find ways of the church relating more directly to the area and parish

### **St Dunstan**

- Install a fit-for-purpose heating system and new kitchen and toilets and organize a re-launch of the church once building work is complete
- Begin to market our building as a venue for a wide range of activities and events and to raise funds to sustain it
- Run a vibrant outreach programme to connect more with the local community
- Develop our online resources to promote our church to a wider constituency
- Develop more leadership within the existing congregation

## **Summary of PCC Business Conducted:**

### ***February***

The PCC were delighted to receive the news that the Revd. Dr Miranda Threlfall-Holmes had been appointed as the new Team Rector and that her service of institution would take place on 10<sup>th</sup> August. The PCC agreed to release the funds to repair and finish installing the heating system for St Dunstan's to allow them to realize the

lease potential thereby generating income.

Reports from activities from each of the churches and the chaplaincy to the Women's Hospital were given.

#### *April - APCM*

The PCC met for its annual parochial church meeting to agree the annual accounts and annual report, elect members of the PCC, PCC officers and appoint an Independent Examiner for the accounts.

#### *May*

An extraordinary PCC meeting was called to begin a discussion on the missional opportunities for developing the site and buildings at St Michael's. With the Team Parish operating an annual deficit all options need to be explored. It was emphasized this was not to see St Michael's close but to explore options for a new lease of life. Four possible options were identified. a) upgrade the existing building, b) sell plots of land surrounding St Michael's, c) sell the entire St Michael's site for redevelopment with a new church space incorporated within the development, d) sell the entire site without a new church presence and rent a nearby space. It noted that all of this was challenging. The St Michael's building has been lovingly cared for by many people for a long years. The purpose of the meeting was not to make a decision on a proposal but to start the conversation and continue to explore all options.

#### *June*

At the June meeting the PCC continued to plan Miranda's welcome and service of institution. A complaints procedure was developed and agreed by the PCC to assist the three churches to deal sensitively and consistently should they be faced with resolving a complaint.

Following the extraordinary PCC meeting in May, the PCC continued to discuss options for the future of ministry at St Michael's and to reassure St Michael's that this did not mean that the PCC plans to close the church. St Michael's DCC will continue to discuss this at the meeting in July 2017 and any project undertaken would proceed with clear and sensitive communication.

The PCC also received the good news that the St Stephen's building had been sold to a developer and with the change of covenant a sale price was expected in the region of £455,000 before fees. This may take some time to be finalized.

#### *August*

Following on from the Service of Institution on 10<sup>th</sup> August the PCC welcomed Miranda to her first PCC meeting and Chair. Helen Parker-Jervis also joined the PCC following the completion of her Parish Placement as University Chaplaincy Intern

The PCC received reports on the progress of the heating work at St Dunstan's along with activities underway at each parish to help reduce the budget deficit. To aid communication the Staff Team were asked to establish an integrated notice sheet for all three churches.

A standing committee was established comprising the Team Rector, Team Vicar, Parish Wardens and PCC Treasurer to continue the work of the PCC between meetings. Following a similar resolution at St Michael's DCC the PCC resolved to sell and develop the St Michael's site and to provide a new church presence relating to the changing environment around that part of the city. A Project Group will be established in due course. St Dunstan's reported that they were to begin opening on Wednesdays with a range of activities and drop-in on offer, and a launch week was planned for the autumn.

#### *October – Away Day*

The PCC met at St Bede's for a day looking at the 'PCC Tonight' material. We examined our role as a PCC, as charity trustees charged with ensuring that all that the parish does is the best way of fulfilling the objectives of a C of E parish: to build the church spiritually, focusing on God; to be mission-orientated, focusing on serving those who are in our parish; and to build relationships within our church community.

We considered the demographics of our parish with the help of a large map of the area and census data. The demographic in our churches is at variance to the demographic in our geographical area. For example Young Adults are the largest group living in the area but almost entirely non-existent in our churches. Most young adults have no Christian background and so what we do throughout the week is a "completely foreign language".

We shared what our own faith journeys had been, and considered what we thought our mission priorities ought to be.

#### *November*

Reflecting on the PCC away day in October, we agreed to establish an Evangelism Task Group, to reflect on

what it means to do mission and/or evangelism from a progressive theological standpoint, and to make plans to tell others most effectively about the good things that we do in the parish. It was decided to increase opportunities for people to be comfortable talking about our faith, e.g. through sermon series.

We confirmed the resolution from 2014 to seek a faculty to remove the pews from St Bride's and restore the floor. It was agreed to appoint a Parish Administrator to replace Warren who had indicated his wish to step down, & to increase the hours of this post on a one year trial basis by also making the person Bookings Secretary to increase lettings and income from our three buildings. We discussed simplifying and consolidating parish finances now that the 'central pot' is depleted. We agreed to work towards achieving a balanced budget by 2019, meaning giving would need to increase and reserves be depleted in the intervening year.

The heating system at St Dunstan's is now operational.

The St Brides HLF project group had met monthly and agreed to achieve a submission date of early 2018, for a bid just under the £2m limit for regional decision-making. A heritage group has been established and is carrying out a consultation with users and residents about how they would like to engage with the heritage, to shape our planning for the heritage education and access element of the bid.

## **Achievements and Performance Including Review of Charitable Achievements against Objectives**

The PCC is satisfied with its achievements against objectives set out in the previous section. The following section highlights the areas of activity and performance.

### ***Average Sunday Attendance at Worship (including children)***

	<b>2016</b>	<b>2017</b>
St Michael in the City:	20	18
St Dunstan:	24	22
St Bride with St Saviour:	50	50
 Total for St Luke in the City	 <b>94</b>	 <b>90</b>

The further fall in numbers at St Michael's in 2016 reflects the continuing demographic shift with a large group are in their 80's and 90's some of whom are becoming housebound and unable to attend, others, sadly passing away, and huge changes taking place in the demographics of the surrounding residential and business area. The decision has been courageously taken to move towards the sale of the St Michael's site, and this will be a focus of further consultation and planning in 2018. Plans will also need to be made in the coming year for fresh ways to do mission and outreach.

Numbers at St Bride's continue to be encouraging, not only at the Sunday services but also during the week. In particular Open Table on Sunday evenings saw its largest congregations this year, and has 'seeded' 11 new Open Table congregations throughout the UK, putting pressure on the lay missional leaders who are supporting these developments in addition to the St Bride's Open Table congregation. A Kickstarter funding campaign and Deanery Mission Fund grant have been applied for to support these developments. A Deanery Mission Fund grant has also been applied for to install wireless internet in the building to encourage further rental and other uses among a young population.

St Dunstan's encouraging turnaround in attendance in previous years has seen some reversal in recent years. Mission and outreach work has been seriously hampered until the end of 2017 by the lack of a heating system. For 2018, with the heating sorted, new plans to grow this congregation are being put in place. Deanery Mission Fund grants have been applied for to start a new Toddler Group with worship midweek, and to install wireless internet in the building.

We began to work more closely together as a team parish over 2017. Joint services were held in Holy Week, for Harvest, and at Christmas, and these were well received. A joint notice sheet was launched in the autumn, and a parish pilgrimage is planned for 2018 or 2019. The PCC away day in October began to consider the demographics and institutions of our whole ecclesiastical parish, and how we might begin to better relate to them in mission, outreach and service.

### ***Pastoral Care and Community Work***

Parish Clergy conducted funerals, weddings and baptisms. In the areas of the parish outside the City Centre, this pastoral work continues to be a major source of contact with the local community. The

Team clergy have continued to provide emergency pastoral support to Liverpool Women's Hospital, Europe's largest maternity hospital.

This is an extremely varied area of the City which includes both areas of the highest multiple deprivation and areas which are increasingly gentrified. The pastoral response of parish staff and volunteers includes such diverse activities as support of refugee families, care for the homeless, hosting art exhibitions, rehearsal spaces and concerts, running a Parish luncheon club, ministry to LGBTQIA+ people, work with young people, supporting the foodbank, working with local schools and working with local residents' committees.

In such fast-changing areas of the City, maintaining an awareness of the Churches presence through regular publicity and outreach is vital. The year saw further development of our social media presence and media profile.

### ***Church Buildings and Estate***

At **St Stephen's** (a former registered place of worship still belonging to the parish) the day to day care of the building was handed over by the Oasis Trust back to the PCC, and the building was put up for sale. An offer was received and contracts have been exchanged, though there is some delay in completion due to the need to negotiate the ending of a restrictive covenant with external parties.

At **St Dunstan's**, the heating system was reinstated, a major undertaking which cost around £100k.

At **St Michael's**, the boiler failed and was replaced. The Japanese Knotweed eradication programme is nearing the end of its 5 year treatment plan with a final inspection due in early 2018.

At **St Bride's**, the project group established to work on the Heritage Lottery Fund bid for the 'Reimaging St Bride's' programme of repairs, renovations and improvements met throughout the year. We received advice from Louise Sutherland from the HLF, and agreed to limit our ambitions to a programme which could be achieved with an HLF bid under the £2m limit for regional decision making. We set out a programme for our meetings, consultation and work as a project group which would enable us to make the bid by the spring 2018 deadline.

### ***Finance, Giving and Fundraising***

The parish continues to run a deficit budget, as it has done for many years, drawing on reserves to fund our financial commitments. Despite the generosity of parishioners, and their hard work in fundraising, running a deficit budget cannot continue for much longer without an increase in available funds.

It was our plan for 2017 to work out how to realize historic assets to ensure future sustainability. As a result, St Stephen's was put up for sale, and it has been decided to also work towards the sale/redevelopment of the St Michael's site. The HLF bid we were working on for St Brides throughout 2017 has the aim of ensuring that St Bride's becomes sustainable for the long term through the one-off restoration and repair of the building, and its adaptation to be more suitable for flexible community uses.

The Parish Giving Scheme was implemented at St Bride's, and this has increased St Bride's planned giving by around 50%. We aim to implement this in the other churches in 2018 and to further promote it. Text giving and online giving facilities were also set up for St Bride's this year.

We decided not just to replace the Parish Administrator, Warren Hartley, who wished to stand down, but to increase the hours and scope of that post on a one-year trial basis to include marketing our buildings to increase income.

### **Financial Review**

Income in 2017 amounted to £117,536 (including gain on investments) and expenditure was £268,961. The net deficit of expenditure was therefore £151,435, which was funded from historic reserves. This deficit was considerably more than in the previous year, a difference accounted for primarily by the work carried out on the St Dunstan's heating system, one of our key priorities for 2017.

Our two major sources of income are giving and rentals, and we aim to increase both of these in 2018 as we aim to move to a balanced budget. We also began the process of carrying out a forensic review of expenditure at the end of 2017, with the aim of ensuring that we are getting best value.

### ***The Performance of Investments***

The PCC's funds are held in Current and Deposit Accounts with HSBC and in deposit funds with the Church of England's Central Board of Finance Deposit Fund and the Church of England property fund.

Gain on investments was £2,709. Given the present state of the markets, the return on deposits and on investment funds was considered satisfactory by the PCC.

### ***Reserves Policy***

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have, which is equal to six months general expenditure, £100,000. Reserves are needed to even out any short term funding gaps between spending and related income. The actual reserves at 31.12.17 were £111,405, just in excess of the required amount.

### **Structure, Management and Governance**

St Luke in the City Parochial Church Council (PCC) operates under the Parochial Church Council Powers Measure 1956. The majority of this Team Ministry's PCC business is conducted through three sub-committees, known as District Church Councils (DCCs). The DCCs of St Michael in the City, St Bride with St Saviour, and St Dunstan each manage the finances, ministry, fabric and mission issues relating to each church and the area which that Church serves within the Team Ministry.

The function of the PCC is to enable and support mission, to foster communication and collaboration between the individual churches as appropriate and to provide a framework of accountability to the Diocese, Charity Commission and other legal bodies.

Towards the end of 2017 we began to consider how this structure might evolve to best support our aim to work more closely together as a team parish. We considered the role of the PCC at our away day in October, and have resolved to move towards a closer integration of the work of the PCC and DCCs.

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

### **Risk Assessment**

In assessing the various possible risks to the safety of parishioners, the integrity of our buildings and the managements of our finances and the reputation of the Parish, the PCC has identified the following areas for on-going management and action.

### ***Financial Risk***

This is the main risk facing the parish at the moment, as reserves are being depleted and expenditure continues to exceed income. There is a serious risk of cash-flow being insufficient to pay our financial commitments.

Mitigation: The Standing Committee have met twice to review income and expenditure and have identified savings and potential sources of income growth, and the PCC are monitoring the situation. A new appointment is being made to the one-year post of Parish Administrator with a brief to increase lettings income from our buildings. The many different accounts held by the different churches are being consolidated to allow the treasurer to use and move funds as necessary. The investments held by the PCC are reviewed annually. The majority of investments are made in approved low risk funds approved for charity use (although a very small amount relating to historical funds still remains in historic bonds and shares). The sale of St Stephen's will help in the short term, and the planned sale of St Michael's site is intended to provide a level of investment income to assist in the future. Giving needs to be reviewed in the coming year.

All assets of the PCC are insured. Levels of insurance cover are reviewed annually and approved by the PCC.

### ***Health and Safety - General***

The PCC takes very seriously its responsibility to protect staff, volunteers and visitors from harm and so undertook a thorough review of its policies and procedures relating to all aspects of health and safety in 2012. From these and a thorough Health and Safety assessment, a written Health & Safety Policy was formulated and adopted by the PCC. An annual Risk Assessment survey update is conducted by the deputy wardens in each church.

### ***Fire Safety***

All churches have passed their fire inspections. An annual visit from a fire protection company to each building and periodic visits from the fire brigade are ongoing.

### ***Child and Vulnerable Adult Protection***

Those working with children and vulnerable adults within the parish have been checked under the DBS Vetting and Barring scheme. The parish operates a policy for the protection of children and vulnerable adults in accordance with diocesan advice.

### ***Operational Risk***

Should any individual Church building be unusable for a limited period, plans are in place for the congregation to worship, and other groups to meet, at another Church within the Team Ministry.

### ***Data Protection***

The Parish operates a scheme of data protection in accordance with advice from the Information Commissioners Office and is registered under the Data Protection Act 1998. A sub group of the PCC under the leadership of Mr. W Hartley has been established to consider and implement the requirements of the incoming General Data Protection Regulations (GDPR) from May 2018.

### ***Asbestos***

Under the Control of Asbestos Regulations the PCC has a duty to identify and manage any asbestos-containing materials (ACM) within its premises. An asbestos survey has been carried out at each building and where ACM has been found, a management plan is in place.

### ***Electrical Safety***

Electrical safety guidelines were drawn up in 2012; following these should ensure that there is no risk of fire or injury from the use of electrical equipment, and as an added bonus, reduced consumption of electricity will result in environmental and financial benefits.

In particular, the following practices are dangerous and are now prohibited: the use of "block" type plug adapters;

The multiple connection of extension leads;

The use of "coil" type extension leads which have not been fully uncoiled.

It is reiterated that it is the responsibility of all building users to ensure that all lights and appliances are switched *off* when leaving the building as there have been dangerous occurrences resulting from appliances having been left on overnight or for several days.

Portable Appliance Testing at all three churches was carried out again in 2017.

### ***Gas Safety***

All gas appliances and boilers in each building have a current safety certificate.

### ***Third Party Use of Buildings***

The PCC recognizes that community use of its buildings is not only an essential part of its mission and charitable service but also crucial to ensuring the financial sustainability of the parish churches. Such use, however, presents a number of risks such as damage to buildings, injury to users as a result of inappropriate use, theft of property, and reputational damage to the PCC. As such the PCC strives to maintain a balance between encouraging use and discouraging misuse.

In 2017 a new Hire Agreement was drawn up and this is to be rolled out in 2018.

Where keys are placed on loan to third-party users a Key holder Agreement is required in which the prospective user agrees to the conditions of storage and use of the keys and indemnifies the PCC against their loss. This system allows the bona fides of the prospective key holder to be verified before they are given keys.

### ***Access For All***

Accessibility Audits were carried out at each church in 2012. Where practicable, the PCC intends to carry out the improvements identified as desirable and some have already been addressed. Accessibility is a key aim of the Heritage Lottery Fund bid being prepared for St Brides for submission in 2018.



### **Statement of Trustees Responsibilities**

Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of its financial activities for that period. 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 operational existence.

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 1993. They 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.

This report was approved by the trustees on

Signed on behalf of the trustees

A handwritten signature in dark ink, appearing to read 'Miranda Threlfall-Holmes', written over a horizontal line.

**Revd. Dr Miranda Threlfall-Holmes, Chair**

### **Independent Examiner's Report**

Report to the the Parochial Church Council (PCC) of St Luke-in-the-City, Liverpool, charity number 1152031, on the accounts for the year ended 31<sup>st</sup> December 2017, as set out on pages 11 to 18 of your Annual Report.

#### **Respective responsibilities of Trustees and Examiner**

The PCC are responsible for the preparation of the accounts. They consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

#### **Basis of independent Examiner's statement**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented 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 no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

#### **Independent Examiner's statement**

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

accounting records were not kept in accordance with section 130 of the Charities Act

or the accounts do not accord with the accounting records

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

2<sup>nd</sup> May 2018

Ian Wright B.A. F.C.A.  
Chartered Accountant  
15 Stretton Drive  
Southport  
PR9 7DR

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2017

		General	Restricted Funds	Total 2017	Total 2016
<b>INCOME from:</b>					
Donations	2	47,319	12,807	60,126	40,424
Charitable activities	3	6,005	100	6,105	5,867
Fundraising activities	4	32,609	1,422	34,031	28,976
Investments	5	3,640	-	3,640	3,838
Other	6	11,545	-	11,545	-

<b>TOTAL INCOME</b>		<u>101,118</u>	<u>14,329</u>	<u>115,447</u>	<u>79,105</u>
<b>EXPENDITURE on:</b>					
Charitable activities	7	103,781	1,545	105,326	114,583
Refurbishment	8	142,270	-	142,270	5,941
Other	9	14,162	7,203	21,365	4,120
<b>TOTAL EXPENDENDITURE</b>		<u>260,213</u>	<u>8,748</u>	<u>268,961</u>	<u>124,644</u>
Net gains/(losses) on investments		2,079	-	2,079	489
<b>Net income/(expenditure)</b>		<u>(157,016)</u>	<u>5,581</u>	<u>(151,435)</u>	<u>(45,050)</u>
Transfers between funds					
<b>NET MOVEMENTS IN FUNDS</b>		<u>(157,016)</u>	<u>5,581</u>	<u>(151,435)</u>	<u>(45,050)</u>
Total funds brought forward		260,485	2,355	262,840	307,890
Total funds carried forward		<u>103,469</u>	<u>7,936</u>	<u>111,405</u>	<u>262,840</u>

#### BALANCE SHEET AT 31<sup>ST</sup> DECEMBER 2017

	Note	Total 2017 £	Total 2016 £
<b>FIXED ASSETS</b>			
Tangible assets	11	815	708
Investments	12	33,465	107,878
		<u>34,280</u>	<u>108,586</u>
<b>CURRENT ASSETS</b>			
Debtors	13	43	980
Cash at bank and in hand	14	91,363	158,610
		<u>91,406</u>	<u>159,590</u>
<b>CREDITORS: amounts falling due within one year</b>	15	14,281	5,336
<b>NET CURRENT ASSETS</b>		<u>77,125</u>	<u>154,254</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>111,405</u>	<u>262,840</u>
<b>FUNDS OF THE CHARITY</b>	16		
Unrestricted		-	-

Designated	103,469	260,485
Restricted	7,936	2,355
	<u>111,405</u>	<u>262,840</u>

Approved by the Parochial church Council on 14<sup>th</sup> March 2017 and signed on its behalf by

Rev Dr Miranda Threlfall-Holmes

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017

### 1. *Accounting policies*

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 have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and with the Church Accounting Regulations 2006.

#### **Funds**

General funds represent the funds of the Parochial Church Council (PCC) that are not subject to any restrictions regarding their use and are available for application for the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are funds subject to specific conditions imposed by the donors or through the terms of an appeal.

Transfers of funds are made to recognise the release of restricted funds or to meet expenditure not covered by restricted income.

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

#### **Income**

##### *Donations, legacies and other voluntary income*

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities in the year in which it is received by or on behalf of the charity. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the repayment is received. Funds raised by seasonal fairs, fundraising events and similar events are accounted for gross.

The charity received substantial amounts of voluntary help from its supporters, but no attempt is made to place a financial value on these services and they have not been included.

##### *Rental income*

Rental income from the letting of the charity's premises is recognised when the rental is due.

##### *Income from investments*

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

## Expenditure

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

## Tangible assets

Consecrated and benefice property is not included in the financial statements in accordance with the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the churches inventories, which can be inspected (at any reasonable time). For anything acquired prior to 2010 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment is depreciated on a straight-line basis over four years.

## Investments

Investments are valued at initially at cost and subsequently at market value at the year end.

### Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31<sup>st</sup> December.

## Debtors

Amounts owed to the PCC at 31<sup>st</sup> December in respect of fees, rents, loans or other income are shown as debtors less provision for amounts that may prove uncollectable.

## Cash at bank and in hand

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

	General Fund £	Restricted Funds £	Total 2017 £	Total 2016 £
2 Donations				
Gift aid donations	15,414	60	15,474	12,422
Income tax recovered	3,436		3,436	1,675
Other planned giving	525		525	300
Collections	6,487	61	6,548	5,683
Donations	6,038	10,986	17,024	4,129
Grants	15,419	1,700	17,119	16,215
	<u>47,319</u>	<u>12,807</u>	<u>60,126</u>	<u>40,424</u>
3 Charitable activities				
Fees	2,146		2,146	1,462
Pilgrimage	-		-	3,472
Events	3,859	100	3,959	933
	<u>6,005</u>	<u>100</u>	<u>6,105</u>	<u>5,867</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017

	General Fund £	Restricted Funds £	Total 2017 £	Total 2016 £
4 Fund raising				
Rent receivable	27,892	1,422	29,314	27,445
Other	4,717		4,717	1,531
	<u>32,609</u>	<u>1,422</u>	<u>34,031</u>	<u>28,976</u>

## 5 Investments

Interest	363		363	708
Dividends	<u>3,277</u>		<u>3,277</u>	<u>3,130</u>
	<u>3,640</u>		<u>3,640</u>	<u>3,838</u>
6 Other				
Insurance claim	<u>11,545</u>		<u>11,545</u>	-
	<u>11,545</u>		<u>11,545</u>	-
7 Charitable activities				
Missionary and charitable giving				
Homeless Meals Support	-		-	850
Other	1,195		1,195	820
Ministry				
Diocesan parish share	34,438		34,438	25,641
Stipend and salaries	12,202		12,202	18,844
Clergy housing costs	3,357		3,357	3,773
Clergy expenses	4,624		4,624	6,801
Other expenses	120		120	261
Pilgrimage and retreat	22		22	2,985
Church costs				
Council tax and water	1,349		1,349	769
Insurance	10,581		10,581	10,545
Heat and light	11,602		11,602	12,872
Maintenance	9,448		9,448	7,148
Security	1,248		1,248	1,848
Cleaning	3,323		3,323	3,713
Musicians	124		124	534
Costs of services	3,581		3,581	4,135
Open Table		1,545	1,545	1,032
Youth work	860		860	703
Craft Therapy Mindfulness course	954		954	2,337
Other events	686		686	2,207
Training	630		630	1,715
Suma	467		467	271
Sundries	776		776	894
Printing and publicity	786		786	1,748
Depreciation	910		910	2,030
Office expenses	<u>498</u>		<u>498</u>	<u>107</u>
	<u>103,781</u>	<u>1,545</u>	<u>105,326</u>	<u>114,583</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017

8 Refurbishment	General Fund	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
	<u>142,270</u>		<u>142,270</u>	<u>5,941</u>

Refurbishment work is being carried out on the buildings of St Dunstan and St Bride.

9 Other	General Fund	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Legal and professional fees	<u>14,162</u>	<u>7,203</u>	<u>21,365</u>	<u>4,120</u>

Included in the above expenditure are the following payments

Total Total

	2017	2016
	£	£
Independent examiner's fees	150	150
Other fees paid to the independent examiner	-	-
	<u>150</u>	<u>150</u>

10 Paid employees		
Staff costs	2017	2016
	£	£
Salaries and wages	12,202	18,844
Employer's national insurance	-	-
	<u>12,202</u>	<u>18,844</u>

The average number of full-time equivalent employees (including casual and part-time staff) employed by the PCC during the year was under 2 for both 2017 and 2016.

11 Tangible assets		
	2017	2016
	£	£
Cost at 1 <sup>st</sup> January 2017	16,621	16,621
Additions at cost	<u>1,017</u>	<u>-</u>
Cost at 31 <sup>st</sup> December 2017	<u>17,638</u>	<u>16,621</u>
Depreciation at 1 <sup>st</sup> January 2017	15,913	13,883
Charge for the year	<u>910</u>	<u>2,030</u>
Depreciation at 31 <sup>st</sup> December 2017	<u>16,823</u>	<u>15,913</u>
Net book value	<u>815</u>	<u>708</u>

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017

##### 12 Investments

The investments held at the year-end are either investments listed on a recognised Stock Exchange or investments in authorised investment trusts.

	2017	2016
	£	£
Market value at 1 <sup>st</sup> January 2017	107,878	24,632
Additions	-	83,000
Proceeds on disposal	(76,492)	(243)
Net gains/(losses) on disposals and annual revaluation	<u>2,079</u>	<u>489</u>
Market value at 31 <sup>st</sup> December 2017	<u>33,465</u>	<u>107,878</u>
Historical cost	<u>33,000</u>	<u>88,342</u>

13 Debtors		
	2017	2016
	£	£
Prepayments and accrued income	<u>43</u>	<u>980</u>

14 Cash at bank and in hand		
	2017	2016
	£	£
Short term deposits	37,524	97,275
Cash at bank and in hand	<u>53,839</u>	<u>61,335</u>
	<u>91,363</u>	<u>158,610</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals and deferred income	<u>14,281</u>	<u>5,336</u>

16 Charity funds

Details of funds and movements during the CURRENT reporting period

	At 1 <sup>st</sup> January 2017 £	Income (inc. gains) £	Expenditure (inc. losses) £	Transfer of funds £	At 31 <sup>st</sup> December 2017 £
Unrestricted funds					
St Luke in the City					
Designated funds	<u>260,485</u>	<u>103,197</u>	<u>(260,213)</u>	<u>-</u>	<u>103,469</u>
Restricted funds					
Open Table	2,310	(1,545)		765	
Restoration	12,019	(7,203)		4,816	
Earle Memorial Fund	<u>2,355</u>	<u>-</u>	<u>-</u>	<u>2,355</u>	
	<u>2,355</u>	<u>14,329</u>	<u>(8,748)</u>	<u>7,936</u>	
Total funds	<u>262,840</u>	<u>117,526</u>	<u>(268,961)</u>	<u>-</u>	<u>111,405</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2017

17 Charity funds

Details of funds and movements during the PREVIOUS reporting period

	At 1 <sup>st</sup> January 2016 £	Income (inc. gains) £	Expenditure (inc. losses) £	Transfer of funds £	At 31 <sup>st</sup> December 2016 £
Unrestricted funds					
St Luke in the City					
Designated funds	<u>305,535</u>	<u>79,594</u>	<u>(124,644)</u>	<u>-</u>	<u>260,485</u>
Restricted funds					
St Dunstan					
Earle memorial fund	<u>2,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,355</u>
Total funds	<u>307,890</u>	<u>79,594</u>	<u>(124,644)</u>	<u>-</u>	<u>262,840</u>

18 Fund details

Details of the various funds held by the PCC are as follows:

Name of fund	Description, nature and purposes of the fund
Unrestricted funds	
General fund	Any monies not included in any other fund.
Designated funds	For the purposes of the team accounts, the general fund of each church is shown as being designated for the use of that church. The balance of unrestricted and undesignated funds held by St Luke in the City at 31 <sup>st</sup> December 2008 was designated in equal shares between the four churches at that time. The annual budget deficit or surplus of the Central Pot is generally shared equally between the remaining three churches.
Restricted funds	
Open Table	The funds and expenditure for the Open Table are now being shown as a separate fund.
Restoration	Funds have been received specifically for the restoration of St Bride's building.
Earle Memorial fund	This fund represents monies given by William Earle several years ago for the maintenance and upkeep of various brass memorials located within the church building of St Dunstan.