



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 31st December 2018



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 *

Team Vicar: Revd M. Waters *

Associate Priest: Revd S. Doyle *

Readers: Dr. C. Bartley *

Mrs. H. Randall (to summer 2018) *

Local Missional Leaders Mr K Bohan *

Mr W Hartley *

Authorized Lay Minister: Mrs R Green

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

Deanery Synod representatives: Ms. H. Parker-Jervis
(ex-officio on PCC) Mr. A. Fitzgerald
Mr. T. Slack

Elected PCC members: Ms. K. Adams (secretary)
Mrs. K. McCaldon
Ms. G. Evans
Ms. S. Ginley
Mr. G. Sawyer
Mrs. J. Fitzgerald
Mrs. H. Dawson

Paid officers of the PCC
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 Sancturary, 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 2018

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 2018 we planned to:

St Luke in the City Team

- Investigating how we might develop the St Michael in the City site and the sale of St Stephen's site as a financial investment to achieve sustainability into the future for our three churches. We resolved to invest the forthcoming sale proceeds from St Stephen's for income, and to relaunch St Michael's in partnership with local charity and community organisations as a centre for community health and wellbeing.
- Working more closely together as a team of churches sharing our gifts, resources and different approaches to worship. We established a pattern of three annual joint services at each church for their patronal festivals, and continued to develop the pattern of joint Holy Week and Christmas services.
- Continue to work at developing viable congregations. St Dunstan's undertook the Healthy Churches Handbook process, and St Michael's focused on developing new community links.
- Appointed a Parish and Buildings Administrator, Jacqui Corcoran, with a brief to develop new lettings to generate additional income.
- Explored and began the process of starting 2 new worshipping communities/Fresh Expressions, That Music Thing and A Taste of God.
- Continued to explore what mission in a liberal context might look like by planning a major Liberal Evangelism conference (which took place at St Dunstan's in Feb 2019).

St Michael in the City

- Experimented with a new pattern of services beginning with a discussion group in the community room and then moving to a shorter liturgy in church.
- Established a new partnership with Faiths4Change to develop the Community Garden site.
- Began to develop relationships with local artists and other charities to explore options for the use of the flat to both generate income and develop new links with the community.
- Explored a partnership with the Methodist "Bread Church", though they concluded not to go down this route.

St Bride

- Prepared a HLF funding bid to realize our Concept Plan for the building in cooperation with the Heritage Lottery Fund advisers, although this was sadly turned down for Round 1 funding in August.
- Continue to work at financial viability for the church and Team Ministry, through promoting the Parish Giving Scheme, increasing lettings and working with Open Table on financial sustainability.
- Encourage the next generation of leadership in the church - Open Table Dreamers re-established, and new LMLs being developed for new worshipping communities.
- We also wanted to find ways of the church relating more directly to the area and parish; the HLF bid did a lot in this direction and revealed considerable affection for the building and our activities, which we wish to now build on.
- Reordered the interior space to remove the pews and restore the flooring, enabling the growing

congregation to expand into the larger room. We now need to look at heating requirements.

- Following the rejection of the HLF bid a new buildings group has been established to begin to tackle the small improvements we can make with our own resources. Eg, the railings have been newly painted, and storage and meeting rooms are being refurbished.
- Open Table began the process of developing the Network as a separate entity from Open Table Liverpool, the St Bride's congregation.

St Dunstan

- Installed 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
- Began to re-establish links with the school now the building is fit for purpose, and have begun to take assemblies there and discuss year group eucharists etc in St Dunstan's
- Experimented with outreach programme to connect more with the local community; a community lunch was tried on Wednesdays, and the toddler group has developed.
- Develop our online resources to promote our church to a wider constituency
- Began to develop more leadership within the existing congregation, and ran the Healthy Churches Handbook material over two sessions to begin to establish priorities and vision.

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)

	2016	2017	2018
St Michael in the City:	20	18	13
St Dunstan:	24	22	15
St Bride with St Saviour:	50	50	58
Total for St Luke in the City	94	90	86

The further fall in numbers at St Michael's 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 was taken in 2018 to attempt to build a new congregation at St Michael's through intentionally developing a fringe in the new local community through developing community activities in partnership with others, and this is beginning to bear fruit but will take a while to see in Sunday numbers.

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 continues to grow, both here and as a network. Work began in 2018 to intentionally develop the Open Table Network as a separate entity. The new space at St Bride's seems to have removed a "lid" on numbers and we have seen considerable growth in the last quarter of 2018 which we hope will be sustained in coming years.

St Dunstan's encouraging turnaround in attendance in previous years continues to reverse. In 2018, with the heating sorted, new plans to grow this congregation were begun to be 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, and hoped-for links with the school across the road have begun to bear some fruit. The congregation is currently looking very vulnerable, but new building development locally including the "pound houses" suggest that the community may be becoming more stable and so there is hope for the future but the congregation are aware that they are at a vulnerable stage.

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. Some members of the congregations have continued to provide emergency pastoral support to Liverpool Women's Hospital, through the link between our parish and the chaplaincy at the Women's Hospital sadly came to an end with the resignation of the existing post-holder and the appointment of a non-anglican to the post.

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 the LGBTQIA+ people, work with young people, supporting the foodbank, working with local schools and working with local residents' committees. The Community Market which was established in St Michael's in 2018 as a new partnership with Micah Liverpool is working well to provide a halfway-house for those in food poverty but not sufficiently in need to use the foodbank, and also to develop new links between the church and the local community. Similarly, the new partnership with Faiths4Change provides eco activities to combat ill health, mental ill health and loneliness.

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

The sale of the redundant **St Stephen's** site is still awaiting completion following major delay in negotiating the ending of a restrictive covenant with external parties, but we are hopeful that this will complete soon.

At **St Dunstan's**, renovations to the heating system, kitchen and toilets were completed.

At **St Michael's**, we entered into negotiations with a local builder to licence part of the redundant church yard for temporary site offices and parking, although this is currently on hold as the builders went into receivership. We also began to negotiate an agreement with Faiths4Change to redevelop the community garden. An Arts Council bid was made to rent the flat for an artist in residence programme.

At **St Bride's**, the project group completed and submitted a major HLF bid for the restoration of the building and major internal reordering. However, this was turned down in August. We have now entered a period of reflection as we consider new ways forward for the building that will keep it fit for purpose and sustainable for its many and varied users.

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. Considerable savings have been made by cutting expenditure, but this is not sustainable long term and income needs to be increased as reserves are nearly depleted. This year a plan was put in place to turn this around, with a three-pronged approach including increasing lettings income, increasing giving, and decreasing expenditure. This plan is on track with its aim to reverse the deficit budget before reserves run out. We aim to further reduce the deficit in 2019 and to be on course for a balanced or surplus budget in 2020.

In early 2018 the first focus was on reviewing and reducing expenditure, and various small savings have been made such as renegotiating our waste contracts, moving from live to recorded music at some additional services, which have added up to significant savings.

We have also consolidated several bank accounts making our finances more transparent and expenditure easier to monitor.

To increase income, the decision has been made to invest the forthcoming sales income from St Stephen's for income, and to seek to rent out the flat at St Michael's. Both of these will make a significant contribution in future years.

The Parish Administrator role was replaced with additional hours and the brief to focus on increasing income from lettings. This has been successful and we have taken the decision to continue with this role. The focus for 2019 will be increasing lettings at St Michael's and St Dunstan's, as St Bride's has quite intensive use through the week currently (though there is some scope for increasing the income

from St Bride's too).

We also aim to apply for grants to support some of the activities that put considerable wear and tear on the building, and are in line with our missional objectives, but which do not generate significant income (eg Narcotics Anonymous, Foodbank, Homeless Meals Project).

Congregational giving has also been reviewed and the PCC heard from the diocesan giving officer. On average, those who are part of Planned Giving at our churches are more generous than the diocesan average, but the numbers involved are relatively small. Following the successful implementation of the Planned Giving Scheme at St Bride's, both St Michael's and St Dunstan's have been registered with the scheme, though take up of the scheme has been slow and numbers at both churches are such that there is a limit to how much more giving can be anticipated from these congregations until they are in growth. The PGS continues to be developed at St Brides and we are in discussion about how best to extend it to the Open Table and other congregations.

Financial Review

Income in 2018 amounted to £109,561 (including gain on investments) and expenditure was £134,948. The net deficit of expenditure was therefore £25,387, which was funded from historic reserves. Although this is still a deficit budget, the deficit has been reduced through careful management of expenditure and we aim, as outlined above, to break even by the end of 2020.

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 £371. 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 31.12.18 were £86,018, below the ideal amount due to several years of deficit budgets. We anticipate this being addressed in 2019 with income from the sale of land.

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 sub-parish 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.

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 Stephens will help in the short term, and the option remains to sell part of St Michaels site to provide a level of investment income to assist in the future. Giving needs to be continually reviewed and encouraged.

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 2018.

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.

The new hire agreement is in place for all lettings agreed 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 was a key aim of the Heritage Lottery Fund bid 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 15th April 2019

Signed on behalf of the trustees

Revd Dr Miranda Threlfall-Holmes, Chair

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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 31st December 2018, 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.

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

4th April 2019

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2018

		General	Restricted Funds	Total 2018	Total 2017
INCOME from:					
Donations	2	53,640	12,651	66,291	60,126
Charitable activities	3	4,428	1,215	5,643	6,105
Fundraising activities	4	34,535	765	35,300	34,031
Investments	5	1,907	49	1,956	3,640
Other	6	-	-	-	11,545
TOTAL INCOME		<u>94,510</u>	<u>14,680</u>	<u>109,190</u>	<u>115,447</u>
EXPENDITURE on:					
Charitable activities	7	104,356	6,313	110,669	105,326
Refurbishment	8	15,257	5,599	20,856	142,270
Other	9	3,423	-	3,423	21,365
TOTAL EXPENDENDITURE		<u>123,036</u>	<u>11,912</u>	<u>134,948</u>	<u>268,961</u>
Net gains/(losses) on investments		371	-	371	2,079
Net income/(expenditure)		<u>(28,155)</u>	<u>2,768</u>	<u>(25,387)</u>	<u>(151,435)</u>
Transfers between funds		2,240	(2,240)	-	-
NET MOVEMENTS IN FUNDS		<u>(25,915)</u>	<u>528</u>	<u>(25,387)</u>	<u>(151,435)</u>
Total funds brought forward		103,469	7,936	111,405	262,840
Total funds carried forward		<u>77,554</u>	<u>8,464</u>	<u>86,018</u>	<u>111,405</u>

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

BALANCE SHEET AT 31ST DECEMBER 2018

	Note	Total 2018 £	Total 2017 £
FIXED ASSETS			
Tangible assets	11	423	815
Investments	12	33,835	33,465
		<u>34,258</u>	<u>34,280</u>
CURRENT ASSETS			
Debtors	13	2,506	43
Cash at bank and in hand	14	60,523	91,363
		<u>63,029</u>	<u>91,406</u>
CREDITORS: amounts falling due within one year	15	11,269	14,281
NET CURRENT ASSETS		<u>51,760</u>	<u>77,125</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>86,018</u>	<u>111,405</u>
FUNDS OF THE CHARITY	16		
Unrestricted		-	-
Designated		77,554	103,469
Restricted		8,464	7,936
		<u>86,018</u>	<u>111,405</u>

Approved by the Parochial church Council on 15th April 2019 and signed on its behalf by

Rev Dr Miranda Threlfall-Holmes

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

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.

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

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 31st December.

Debtors

Amounts owed to the PCC at 31st 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 2018 £	Total 2017 £
2 Donations				
Gift aid donations	16,541	1,360	17,901	15,474
Income tax recovered	2,771		2,771	3,436
Other planned giving	796		796	525
Collections	5,626	446	6,072	6,548
Donations	2,880	3,157	6,037	17,024
Grants	25,026	7,688	32,714	17,119
	<u>53,640</u>	<u>12,651</u>	<u>66,291</u>	<u>60,126</u>
3 Charitable activities				
Fees	4,321		4,321	2,146
Pilgrimage	-	1,215	1,215	-
Events	107		107	3,959
	<u>4,428</u>	<u>1,215</u>	<u>5,643</u>	<u>6,105</u>

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

	General Fund £	Restricted Funds £	Total 2018 £	Total 2017 £
4 Fund raising				
Rent receivable	31,408		31,408	29,314
Other	3,127	765	3,892	4,717
	<u>34,535</u>	<u>765</u>	<u>35,300</u>	<u>34,031</u>
5 Investments				
Interest	81	49	130	363
Dividends	1,826		1,826	3,277
	<u>1,907</u>	<u>49</u>	<u>1,956</u>	<u>3,640</u>
6 Other				
Insurance claim	-	-	-	11,545
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,545</u>
7 Charitable activities				
Missionary and charitable giving				
Other	279		279	1,195
Ministry				
Diocesan parish share	37,100		37,100	34,438
Stipend and salaries	12,567	1,305	13,872	12,202
Clergy housing costs	5,658		5,658	3,357
Clergy expenses	6,189		6,189	4,624
Other expenses	568		568	120
Pilgrimage and retreat	-		-	22
Church costs				
Council tax and water	1,839		1,839	1,349
Insurance	9,051		9,051	10,581
Heat and light	14,774		14,774	11,602
Maintenance	2,201		2,201	9,448
Security	1,248		1,248	1,248
Cleaning	5,947		5,947	3,323
Musicians	783		783	124
Costs of services	2,170		2,170	3,581
Open Table		5,008	5,008	1,545
Youth work	-		-	860
Craft Therapy Mindfulness course	-		-	954
Other events	1,499		1,499	686
Training	-		-	630
Suma	-		-	467
Sundries	-		-	776
Printing and publicity	353		353	786
Depreciation	392		392	910
Administration	1,738		1,738	498
	<u>104,356</u>	<u>6,313</u>	<u>110,669</u>	<u>105,326</u>

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

8 Refurbishment	General Fund £	Restricted Funds £	Total 2018 £	Total 2017 £
	<u>15,257</u>	<u>5,599</u>	<u>20,856</u>	<u>142,270</u>

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

9 Other	General Fund £	Restricted Funds £	Total 2018 £	Total 2017 £
Legal and professional fees	<u>3,423</u>	<u>-</u>	<u>3,423</u>	<u>21,365</u>

Included in the above expenditure are the following payments

	Total 2018 £	Total 2017 £
Independent examiner's fees	150	150
Other fees paid to the independent examiner	<u>-</u>	<u>-</u>
	<u>150</u>	<u>150</u>

10 Paid employees	2018	2017
Staff costs	£	£
Salaries and wages	13,872	12,202
Employer's national insurance	<u>-</u>	<u>-</u>
	<u>13,872</u>	<u>12,202</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 2018 and 2017.

11 Tangible assets	2018	2017
	£	£
Cost at 1 st January 2018	17,638	16,621
Additions at cost	<u>-</u>	<u>1,017</u>
Cost at 31 st December 2018	<u>17,638</u>	<u>17,638</u>
Depreciation at 1 st January 2018	16,823	15,913
Charge for the year	<u>392</u>	<u>910</u>
Depreciation at 31 st December 2017	<u>17,215</u>	<u>16,823</u>
Net book value	<u>423</u>	<u>815</u>

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

12 Investments

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

	2018	2017
	£	£
Market value at 1 st January 2018	33,465	107,878
Proceeds on disposal	-	(76,492)
Net gains on disposals and annual revaluation	370	2,079
Market value at 31 st December 2018	<u>33,835</u>	<u>33,465</u>
Historical cost	<u>33,000</u>	<u>33,000</u>

13 Debtors

	2018	2017
	£	£
Prepayments and accrued income	<u>2,506</u>	<u>43</u>

14 Cash at bank and in hand

	2018	2017
	£	£
Short term deposits	13,827	37,524
Cash at bank and in hand	<u>46,696</u>	<u>53,839</u>
	<u>60,523</u>	<u>91,363</u>

15 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	<u>11,269</u>	<u>14,281</u>

16 Charity funds

Details of funds and movements during the CURRENT reporting period

	At 1 st January 2018 £	Income (inc. gains) £	Expenditure (inc. losses) £	Transfer of funds £	At 31 st December 2018 £
Unrestricted funds					
St Luke in the City					
Designated funds	103,469	94,881	(123,036)	2,240	77,554
Restricted funds					
Open Table	765	6,073	(5,008)	115	1,945
University Chaplaincy		6,000	(1,305)		4,695
Restoration	4,816	1,392	(5,599)		609
Pilgrimage		1,215			1,215
Earle Memorial Fund	2,355	-	-	(2,355)	
	<u>7,936</u>	<u>14,680</u>	<u>(11,912)</u>	<u>(2,240)</u>	<u>8,464</u>
Total funds	<u>111,405</u>	<u>109,561</u>	<u>(134,948)</u>	<u>-</u>	<u>86,018</u>

PAROCHIAL CHURCH COUNCIL OF ST LUKE IN THE CITY, LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

17 Charity funds

Details of funds and movements during the PREVIOUS reporting period

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

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 st 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. It was resolved that the funds be used to pay for current refurbishment costs of the building.

