

St Luke's Church Great Ilford



Annual Report and Financial Statements of the Parochial Church Council

for the year ended
31 December 2004

St Luke's Church Great Ilford
Baxter Road, Ilford, Essex, IG1 2HN

Priest in Charge

The Revd John Brown BA (Hons)
St Luke's Vicarage
Baxter Road
Ilford
Essex IG1 2HN

Reader (Lay Minister)

Jean Andrews BSc
3 Swards End
Wickford
Essex SS12 9PB

Treasurer

Robert W Andrews BA (Hons), ACIB, MACIE
3 Swards End
Wickford
Essex SS12 9PB

Secretary

Ms Caroline Leonard
1 Ardwell Avenue
Ilford
Essex IG6 1AN

Bankers

National Westminster Bank
50 Ilford Hill
Ilford
Essex IG1 2DX

Independent Examiner

Revd Alan Clements MA, ACIB, MACIE
3 Woodkirk Close
Seghill
Cramlington
NE23 7TZ

Parochial Church Council of St Luke Great Ilford

Annual Report for 2004

Background

St Luke's PCC has the responsibility of co-operating with the Priest-in-Charge, the Revd John Brown, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church Centre complex at St Luke's.

Membership

<i>Priest in Charge:</i>	The Revd John Brown	Chairman
<i>Reader:</i>	Mrs Jean Andrews	
<i>Wardens:</i>	John Cannon	Vice chairman
	Clayton Hope	
<i>Representatives on the Deanery Synod</i>	Mrs Jean Andrews	
	Robert Andrews	Treasurer
<i>Elected members</i>	David Belgrave	
	Mrs Heather Jordan	
	Ms Caroline Leonard	Secretary
	Mrs Barbara Nnaemeka	
	Mrs Jacqueline Perry	
	Nevine Ratnanayagam	
	Mrs Julie Small	(From APCM 2004)
	Mrs Lorraine Stiles	(Until APCM 2004)
<i>Youth representative</i>	Julius Ratnanayagam	(From APCM 2004)

Committees

Standing committee

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. Members of the Standing Committee are the Priest in Charge, Reader, Wardens, Secretary and Treasurer.

Other committees

There are no other formal committees, although ad hoc committees are formed from time to time for specific purposes and act within powers delegated by the Council.

Church attendance

There were 67 members on the Church Electoral Roll when it was revised in April 2004, of whom 49 reside in the parish. 2 new members were added during the year and 3 removed because they had moved out of the area. The average Sunday attendance counted during October was 47 adults and 9 children (2003 = 48 adults and 9 children). This is fairly representative of attendance during the year.

Parochial Church Council of St Luke Great Ilford

Parish details

Information from the 2001 census shows the following profile of the parish.

	St Luke's parish	Average for Redbridge Deanery	Average for England
Population	12424	10297	-
Children 0-15 years	29%	21%	20%
People of retirement age	14%	20%	21%
People of working age in full time or part time work	55%	68%	61%
Managers & professionals	7%	11%	-
Average no of persons per household	2.89	2.56	-
Average number of rooms available per household	4.67	5.16	-
People who claim to be Christian	34%	50%	72%
Ethnic mix			
White	29%	64%	91%
Asian/Asian British	48%	25%	5%
Black/Black British	18%	8%	2%
Mixed race	3%	2%	1%
Chinese and others	2%	1%	1%

Review of the year

The full PCC met 7 times during the year. The Standing Committee did not meet during the year and no other committees were formed.

The main business of the year was the continuing redevelopment of the halls site. In December 2003 the waste land, formerly a tennis court, between the church and the hall was leased to Barnardo's for 25 years. During the year Barnardo's built a fifty place nursery on the site which opened in October.



The completed nursery

Coupled with this development the PCC agreed during 2003 to redevelop the 1950s hall annexe to provide a modern centre that would be an asset to be shared with the local community. Various charitable and statutory bodies promised funding totalling approximately £0.5M. During the year planning permission was obtained for a two storey replacement of the hall annexe containing two meeting rooms, two offices, a modern kitchen and new toilets, including facilities for the disabled.

After inviting tenders the contract for construction was given to Longshaw Construction Ltd of Ongar, a company that had undertaken previous works at St Luke's and also on other neighbouring churches. Work started in the summer and was all but completed by the end of the year with only minor finishing and external groundwork still to be done.

Agreement has been reached with Loxford SureStart to run a parent and toddler centre in the lower meeting room and Loxford HomeStart will be moving their administrative headquarters into the large office on the first floor. The other office will be used jointly by the parish and the London Contextual Theology Centre, a joint Christian educational project being funded by the dioceses of Chelmsford and London. The first floor meeting room, together with the existing large hall will be available for letting to church and community groups. The PCC

Parochial Church Council of St Luke Great Ilford

considers that the income from the nursery and from the centre will secure the financial future of St Luke's for many years, as well as providing a much needed resource to the local community.

Financial review

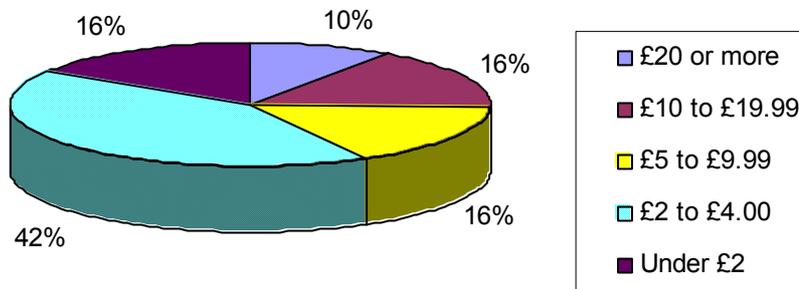
The general fund shows a deficit of £313 which is a substantial improvement on the deficit of £5,894 incurred during 2003. The church benefited from six months' ground rent on the nursery site from Barnardo's and from increased interest because of higher balances being maintained as work on the new centre progressed. However the Priest in Charge has voluntarily decided not to claim any expenses from the parish and the organist does not take a salary. If these costs had been incurred the deficit would have increased by about £3,500.



The new centre nearing completion

Income from members, by way of collections and other donations remained at a little over £14,000. Whilst income from the new centre should provide a firm foundation to the church finances we cannot avoid the stark truth that the prime source of income should be from members. We acknowledge that some people give very generously from a modest income but more than half our donations are contributed by around 10% of the members. The church's income is therefore very vulnerable should one or more of those families move from the area or experience changed financial circumstances. We therefore need to encourage everyone to review their giving so that they aspire to reaching the target of 5% of net income recommended by the Church of England.

Average donations per person per week at St Luke's



Income from the hall was down by a little over £1,000 on the previous year reflecting the disruption caused by the building work on the new centre. As the construction progressed our regular hall users had to contend with outside toilets, dust, draughts and changed venues, including meeting occasionally in the church and we thank them for their understanding.

Out of total project costs of around £0.5M for the new centre, expenditure of

approximately £330,000 was incurred during the year with the balance to be paid in 2005 and 2006. Of this £175,000 represented a grant from the London Over the Border Church fund, a subsidiary of the Diocese of Chelmsford. This was paid direct to the contractors by the Diocese and did not pass through the PCC's accounts.

Policy on reserves

The PCC currently has a general reserve of nearly £80,000 available as the result of the legacy received from the estate of the late Audrey Letcher. At least £50,000 of this is required for the construction of the new centre. The remainder is needed for working capital purposes.

Investment policy

The majority of the PCC's reserves are held on a deposit account with the Church of England Central Board of Finance. This pays interest gross at money market rates which are generally higher than can be achieved in high street financial institutions. The treasurer reviews this arrangement with the PCC at least once a year. Sufficient funds to finance day to day cash flow needs are held with NatWest Bank. The PCC has an arrangement with NatWest to automatically transfer cleared funds in excess of £500 to an interest bearing account.

Parochial Church Council of St Luke Great Ilford

Identification of and action to mitigate major risks

Day to day control of the church finances is the responsibility of the treasurer although the churchwardens authorise expenditure items by way of a second signature on all cheques. A standard commercially available computer package is used to record transactions and a backup copy of the file is updated weekly and held in a fireproof safe. Detailed management accounts are produced monthly and reviewed at each meeting of the PCC.

The church and hall sites have been assessed for compliance with the Disability Discrimination Act. Facilities in the church are generally acceptable although some improvements have been identified and will be put in place when practically possible. The new centre has been designed specifically to comply with the Act.

The PCC has appointed the Revd John Brown to be responsible for child protection matters.

Some reflections on the year by Revd John Brown - Priest in Charge

This is the third annual report that I have written for you and the time seems to have sped by. Looking back on 2004 it has been a difficult one in terms of world issues with conflict clearly dragging on in Iraq and little hope of an end in sight. Our thoughts and prayers have gone out to the many thousands who have been caught up in the conflict both there and in the Sudan. Issues of peace and justice have to be a priority for the future particularly after the devastating events of Boxing Day 2004 with the deaths of so many people in the Tsunami in the Indian Ocean. I was asked to take part in a small service of remembrance led by faith leaders in Ilford in January 2005. I stood alongside members of the Muslim, Hindu, Sikh, and Jewish faiths to say prayers for those who died in that tragedy and for those who mourn. There were about seventy of us in the hall of the Vine Church Ilford and representatives of each community said prayers and lit a candle and then shared in food and fellowship. We were united in the tragedy and led to the only way that we could attempt to hold on to the event, in our common prayer to the divine.

So diverse the community, so desperate the need I could not but believe that this was a tiny vision of what we are called to be by God, united in our faith not divided by it. It seems arrogant to claim it but this did appear to me to be a moment of the Kingdom of God. It was so important and so right at this time when we feel so divided as a world on religious and ethnic grounds, for people from Ilford to gather together to say we can be one.



Members of the church congregation are shown over the new building

This year has seen the completion of our Centre and the Neighbourhood Nursery. The disused tennis court has gone along with the 1950's hall and what is in its place is a purpose built fifty places nursery and a two storey community centre addition to our hall. I really hope that we see this as an addition to our services as Christians in Ilford. We were privileged and fortunate to have such an asset as the land and buildings on our site. I hope that we can see the new buildings as an addition to our mission and ministry, a gift and services to the people of South Ilford for years to come. We will be able to capture something of that sense of inclusion that I spoke of earlier. We will be welcoming many different people to come and use the Centre from all sorts of backgrounds and they will enrich the sense of community in this space. I hope that we are able to make connections with them on a spiritual as well as a practical level that will be appropriate and meaningful.

The daily life of St Luke's and the rhythm of the year changes little. We are hoping to forge closer links with our neighbours through a Consortium of Community Centres in South Ilford which included the Eton Road Centre (Muslim), the Cardinal Heenan Centre (Roman Catholic), the Punjabi Centre, and St Luke's. Alongside this I hope that we will develop closer links with our other Christian neighbours and in particular the Methodist Church on Ilford Lane.

Parochial Church Council of St Luke Great Ilford

I am very excited and encouraged that we have launched the Youth Club with a Christmas Party and five a side football team playing other churches in the deanery. There are also possibilities for growth in the younger church members at Sunday School. For the first time in many years they were able to write and perform a Nativity Play which was well supported by family and friends as well as our regular congregation

We need to build on our connections with London Citizens. We had a respectable turn out from members of the community at Westminster Central Hall when we met with the London Mayoral candidates but we must commit ourselves to this project. Attendance has remained constant but the richness of our community was reflected in the number of different languages in which we wished people Happy Christmas, eight in all. It is what I love and what excites me about this place. As well as being a difficult place to be because of the pace of change, Ilford is lively and that life can give energy as well as exhaust us.



Members of the Sunday School perform the first Nativity Play to be held at St Luke's for many years

The New Year will see a celebration of the opening of the new building but also a chance to reflect on our first ninety years of service to South Ilford. Strength and growth cannot be measure only in people and money; they are not the values of the Kingdom. We have demonstrated our courage, generosity and faith by opening our site up to welcome friend and stranger alike, that's no mean achievement for this community and I am encouraged by it, our job is to welcome and pray for those who use our building, giving thanks to God for them and rejoicing that we might learn from them as well as share something of our vision of God.

John Brown
Priest in Charge

Parochial Church Council of St Luke Great Ilford

Statement of Financial Activities

For the year ending 31 December 2004

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	TOTAL FUNDS 2004 £	TOTAL FUNDS 2003 £
INCOMING RESOURCES						
Incoming resources from donors	2(a)	14,271	170	-	14,441	14,378
Other voluntary incoming resources	2(b)	1,000	141,839	-	142,839	40,491
Income from operating activities: to further the Council's objects to generate funds	2(c) 2(d)	16,366 9	- -	- -	16,366 9	13,114 57
Income from investments	2(e)	4,020	-	-	4,020	3,085
Other ordinary incoming resources	2(f)	-	-	-	-	1,395
TOTAL INCOMING RESOURCES		35,666	142,009	-	177,675	72,520
RESOURCES EXPENDED						
Cost of generating funds	3(d)	-	-	-	-	-
Grants	3(a)	180	170	-	350	294
Activities directly relating to the work of the Church	3(b)	32,249	-	-	32,249	33,234
Church management and administration	3(c)	463	-	-	463	2,058
Major capital expenditure	3(e)	3,087	156,269	-	159,356	3,307
TOTAL RESOURCES EXPENDED		35,979	156,439	-	192,418	38,893
NET INCOMING/(OUTGOING) RESOURCES		(313)	(14,430)	-	(14,743)	33,627
GAINS AND LOSSES ON INVESTMENTS - unrealised				(8)	(8)	(71)
NET MOVEMENT IN FUNDS		(313)	(14,430)	(8)	(14,751)	33,556
BALANCES BROUGHT FORWARD AT 1 JANUARY 2004		78,665	39,521	2,231	120,417	86,861
BALANCES CARRIED FORWARD AT 31 DECEMBER 2004		78,352	25,091	2,223	105,666	120,417

Parochial Church Council of St Luke Great Ilford
Balance Sheet at 31 December 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible fixed assets	5	6,174	9,261
Investment assets		2,223	2,231
CURRENT ASSETS			
Debtors	7	5,157	4,648
Cash at bank and in hand		<u>106,035</u>	<u>105,405</u>
		<u>111,192</u>	<u>110,053</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	8	<u>(13,923)</u>	<u>(1,128)</u>
NET CURRENT ASSETS		<u>97,269</u>	<u>108,925</u>
NET ASSETS		<u><u>105,666</u></u>	<u><u>120,417</u></u>
FUNDS			
	6		
Unrestricted		78,352	78,665
Restricted		25,091	39,521
Endowment		<u>2,223</u>	<u>2,231</u>
		<u><u>105,666</u></u>	<u><u>120,417</u></u>

Approved by the Parochial Church Council on 4 April 2005 and signed on its behalf by:

Revd John Brown

Priest in Charge

John Cannon

Churchwarden

The notes on pages 8 to 11 form part of these accounts

Parochial Church Council of St Luke Great Ilford

Notes to the Financial Statements

For the year ended 31 December 2004

1 ACCOUNTING POLICIES

See page 13

2 INCOMING RESOURCES

	Unrestricted	Restricted	TOTAL FUNDS	
	funds	funds	2004	2003
	£	£	£	£
2(a) Incoming resources from donors				
Planned giving:				
Gift Aid donations	7,091	-	7,091	6,671
Income tax recoverable	1,998	-	1,998	1,988
Other planned giving	2,552	-	2,552	2,769
Collections (open plate) at all services	1,450	170	1,620	1,889
Sundry donations	1,116	-	1,116	1,029
Sundry donations (Gift Aid)	54	-	54	25
Income tax recoverable on Gift Aid donations	10	-	10	7
	<u>14,271</u>	<u>170</u>	<u>14,441</u>	<u>14,378</u>
2(b) Other voluntary incoming resources				
Grants	-	141,839	141,839	39,741
Intangible income	1,000	-	1,000	750
Legacies	-	-	-	-
	<u>1,000</u>	<u>141,839</u>	<u>142,839</u>	<u>40,491</u>
2(c) Income from operating activities: to further the Council's objects				
Bookstall	72	-	72	79
Magazines	362	-	362	277
Income from letting church buildings				12,719
- Hall	8,749	-	8,749	
- Church	2,896	-	2,896	
- Nursery	4,280	-	4,280	
Fees	7	-	7	39
	<u>16,366</u>	<u>-</u>	<u>16,366</u>	<u>13,114</u>
2(d) Income from operating activities: to generate funds				
Fund raising events	9	-	9	57
	<u>9</u>	<u>-</u>	<u>9</u>	<u>57</u>
2(e) Income from investments				
Interest	4,020	-	4,020	3,085
	<u>4,020</u>	<u>-</u>	<u>4,020</u>	<u>3,085</u>
2(f) Other ordinary incoming resources				
Insurance claims	-	-	-	1,395
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,395</u>
TOTAL INCOMING RESOURCES	<u>35,666</u>	<u>142,009</u>	<u>177,675</u>	<u>72,520</u>

Parochial Church Council of St Luke Great Ilford

Notes to the Financial Statements (continued)

For the year ended 31 December 2004

3 RESOURCES EXPENDED

	Unrestricted funds £	Restricted funds £	TOTAL FUNDS	
			2004 £	2003 £
3(a) Grants				
Missionary and charitable giving:				
Church overseas:				
- missionary societies	-	170	170	114
- relief and development agencies	-	-	-	-
Home missions and other Church societies	-	-	-	-
Secular charities	180	-	180	180
	<u>180</u>	<u>170</u>	<u>350</u>	<u>294</u>
3(b) Activities directly relating to the work of the Church				
Ministry:				
Diocesan parish share	17,244	-	17,244	17,384
Clergy expenses	-	-	-	-
Locum fees	45	-	45	40
Reader's expenses	36	-	36	-
Training	12	-	12	-
Church - running expenses	4,423	-	4,423	3,823
Church maintenance	271	-	271	1,474
Upkeep of services	888	-	888	1,327
Expenditure on parish magazine & bookstall	549	-	549	551
Church hall - running expenses	4,575	-	4,575	7,885
Other church property - running expenses	3,206	-	3,206	-
Notional salary of organist	1,000	-	1,000	750
	<u>32,249</u>	<u>-</u>	<u>32,249</u>	<u>33,234</u>
3(c) Church management and administration				
Administration	131	-	131	-
Printing and stationery	157	-	157	1,658
Subscriptions	55	-	55	69
Sundry expenditure	120	-	120	331
	<u>463</u>	<u>-</u>	<u>463</u>	<u>2,058</u>
3(d) Cost of generating funds				
Fund raising events	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3(e) Major capital expenditure				
Hall				
- Construction costs	3,087	92,531	95,618	3,307
- Professional fees	-	62,088	62,088	-
- Other costs	-	1,650	1,650	-
	<u>3,087</u>	<u>156,269</u>	<u>159,356</u>	<u>3,307</u>
TOTAL RESOURCES EXPENDED	<u>35,979</u>	<u>156,439</u>	<u>192,418</u>	<u>38,893</u>

Parochial Church Council of St Luke Great Ilford

Notes to the Financial Statements (continued)

For the year ended 31 December 2004

3(e) MAJOR CAPITAL EXPENDITURE

In addition to the expenditure shown in these accounts a further £175,000 has been paid direct to the contractors by the Chelmsford Diocesan Board of Finance. This represents a contribution to the project by the London Over the Border Church Fund, a subsidiary of the CDBF.

4 STAFF COSTS

The PCC did not employ any staff during the year. The organist gave his services free but a notional salary of £1,000 in accordance with Royal School of Church Music guidelines has been charged to the accounts and is shown as intangible income. Mrs Jean Andrews, the Reader, received travelling expenses of £36 for conducting funerals on behalf of the parish and also provided a design and print service to the PCC which was charged at cost. There were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

5 FIXED ASSETS

Gross book value		
Hall refurbishment 1998	23,621	
Hall floor 2002	<u>15,433</u>	
		39,054
Accumulated depreciation		
Hall refurbishment 1998	23,621	
Hall floor 2002	6,172	
Depreciation during the year	3,087	
		<u>32,880</u>
Net book value at 31 December 2004		<u><u>6,174</u></u>

Church Hall - The Church Hall was built in 1908 as the original St Luke's Church, at a cost of £1,650. A small annexe was added in the 1950s. During 2004 the annexe has been demolished and a new two storey centre is nearing completion in December 2004. In accordance with normal practice the hall is not shown as an asset in the PCC's accounts. The hall and new centre were valued in December 2004 at £700,000 by a surveyor employed by the Ecclesiastical Insurance Group.

Nursery - The nursery was built by Barnardo's at a cost of approximately £700,000. They have exclusive access to the building for a period of 25 years from December 2003 when it will revert to the PCC unless a further lease is agreed. The PCC is responsible for insuring the building although the cost is reimbursed by Barnardo's under the terms of the lease.

6 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Endowment funds	Total
Fixed assets	6,174	-	2,223	8,397
Current assets	86,101	25,091	-	111,192
less Current liabilities	<u>(13,923)</u>	-	-	<u>(13,923)</u>
Fund balance	<u>78,352</u>	<u>25,091</u>	<u>2,223</u>	<u>105,666</u>

Parochial Church Council of St Luke Great Ilford

Notes to the Financial Statements (continued)

For the year ended 31 December 2004

7 DEBTORS

	2004	2003
	£	£
Prepayments	1,380	1,651
Accrued interest	380	297
Trade debtors	1,957	1,308
I/Tax recoverable on Gift Aid donations	1,440	1,392
	<hr/>	<hr/>
	5,157	4,648
	<hr/>	<hr/>

8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Deposits received from church hall users	65	15
Creditors for goods and services	255	138
Fees for occasional offices due to Chelmsford Diocesan Board of Finance	273	975
Loan payable to London Over the Border Church Fund	13,330	
	<hr/>	<hr/>
	13,923	1,128
	<hr/>	<hr/>

9 FUND DETAILS

Restricted funds

Restricted funds relate to grants received for work on the new parish centre which is due to be completed in early 2005.

Endowment funds

The endowment fund arose from the sale of the curate's house, 63 Mortlake Road, Ilford, in the 1960s. This is a permanent endowment and the income is available for the general funds of the church. The investment consists of 1,364 units in the CBF Church of England Fixed Interest Securities Fund held in the name of the Chelmsford Diocesan Board of Finance which is the custodian trustee of the fund.

Parochial Church Council of St Luke Great Ilford

Independent Examiner's Report to the PCC of St Luke, Great Ilford

This report on the accounts of the PCC for the year ended 31 December 2004, which are set out on pages 6 to 11, is in respect of an examination carried out under Regulation 3(3) of the Church Accounting Regulations 1997 to 2000 (the regulations) and s.43 of the Charities Act 1993 (the Act).

Respective responsibilities of trustees and examiner

As the members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of Regulation 3(3) and section 43(2) of the Act do not apply. It is my responsibility to issue this report on those accounts in accordance with the terms of Regulation 25.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7)(b) of the Act and to be found in the Church guidance, 2001 edition, issued by the Finance Division of the Archbishops' Council. 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 considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees 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 41 of the Act; and
- to prepare accounts which accord with the accounting records and to comply with the requirements of the Act, and 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.



Alan Clements MA, ACIB, MACIE

30 March 2005

Parochial Church Council of St Luke Great Ilford

Appendix 1 – Accounting policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP (2000).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

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.

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

Incoming Resources

Voluntary income and capital sources

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

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the income is recognised

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

Funds raised by events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

Other ordinary income

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

Income from investments

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

Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church

The Diocesan Family Purse is accounted for when payable. Any share unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Fixed assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.

No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. They are listed in the church's Inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Parochial Church Council of St Luke Great Ilford

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £1,000 or the repair of movable church furnishings acquired before 1 January 2000 is written off.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 5 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Investments

Investments are valued at market value 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 un-collectible.

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